

The British Institute of Facilities Management (BIFM) is concerned about the ending of Free Movement of People and its effect on access to European Economic Area (EEA) nationals Post-Brexit, especially considering the skills gap the industry is facing.

Without up to 34% of its workforce and access to a flexible future labour market, the facilities management (FM) sector which accounts for around 7% of GDP would not be as productive. The loss of access to the EEA labour market threatens the global leader position the FM sector has worked hard for and would widen even further the skills gap the sector already has to manage.

## Context, profile and trends

The UK's FM industry has long been a global leader in its field. While the sector has grown exponentially over the last three decades, it faces a skills gap caused by demographic change and a lack of applicants with the right aptitude and motivation. While members of the BIFM already invest in training and other forms of upskilling themselves or their workforce, uncertainty over a new immigration policy adds to the challenge. Especially with unemployment levels already being at a low.

2.4 million people, born in the EU, work in the UK<sup>3</sup>. In parts of the FM industry, up to 24% of its workforce is currently coming from the EU<sup>4</sup>. For some members, this number even reaches 34% for their London-based workforce<sup>5</sup>.

EEA nationals work across the skills spectrum of the FM sector, from highly skilled business leaders, through managerial positions, down to the lower skilled, but not less valued, positions. These people were not targeted because of their nationality or likelihood to accept lower wages, rather they were the best applicant for the job.

Soft FM will be especially affected by reduced access to EEA nationals as this is the part of the industry that tends to employ higher numbers of EEA nationals. The FM industry also saw a shift in the last five years which saw an increasing number of EEA nationals employed across managerial roles.

That said, with Free Movement likely to end, the FM sector will have a particular problem with filling entry level roles which are often used as a stepping stone by EEA nationals. For example, in hard FM, building services engineering roles are failing to attract UK school leavers and job seekers, roles consequently filled by EEA nationals.

The wider societal impact of the loss of access to EEA nationals should not be underestimated, given many of these people work as front-line workers in public sector areas like healthcare.

## For a thriving FM sector, we are calling on the Government to:

### 1. Work with the sector to ensure ongoing access to the type of skilled labour it needs:

- > In the short term this means the **immediate guarantee for the right to remain for EEA nationals**, who are valued members of our society. The ongoing uncertainty around their position and future administrative burdens to be put upon them should come to an end.
- > In the longer term this means the **development of a flexible system of migration** that continues to allow access to the appropriate levels of labour from the EU and beyond.

A future migration system should consider the following characteristics:

- **A SINGLE SYSTEM** for all non-UK nationals; with a loosening of current restrictions for non-EEA people (especially the short occupation list and the use of inappropriate definitions for skilled & non-skilled)
- **FAST**; to meet the needs of a dynamic industry that cannot afford to wait for months to fill positions
- **CHEAPER**; skills shortages are already estimated to be costing businesses £2.2 billion a year<sup>6</sup>, new barriers to an appropriate workforce following the end of Free Movement should be kept to a minimum
- **LESS**; bureaucratic than the current system for non-EEA nationals

- > Any new migration system should allow for an **implementation period of five years**, starting only once the full new system is known. This means the five-year period should only start after the adoption of the secondary legislation that will fill in the details of the anticipated framework immigration bill.

Such implementation period would also allow for other, cross-departmental policies (see overleaf) to pay off in terms of delivering return on investment, whether it be upskilling people or delivering increased productivity.

<sup>1, 5</sup> Source available upon request  
<sup>2, 10, 11</sup> FM Business Confidence Monitor, (May 2015), 12p  
<sup>3</sup> ONS: UK and non-UK people in the labour market: August 2017

<sup>4, 13, 14</sup> Has Brexit hit home yet?, Insights into facilities management, Issue 17, p. 17-18 – 24% of the sector amounts to around 770,000 people  
<sup>6</sup> Open University Business Barometer, July 2017

## 2. Work in partnership with the sector to implement cross-departmental policies which support the wider skills and productivity agenda, some of which could be embedded in the Industrial Strategy:

- > Apprenticeships: ensure for a greater degree of flexibility in apprenticeships to better reflect employer views and needs and allow for the Apprenticeship Levy Funds to be used for a wider range of training interventions.
- > Schools and career advice: ensure greater promotion of vocational training and apprenticeships in schools as a valid and equal alternative to the academic route. In addition, promote FM and especially FM engineering so that students are aware of these roles, and their great career pathways.
- > Lifelong learning: supporting lifelong learning programmes is not just important to deal with existing skills gaps, it will play an important role in dealing with the challenges of a changing workplace whether through the increased use of automation and Artificial Intelligence (AI). This benefits the individual, the business, our society and ultimately the UK economy.
- > Incentivising the research and use of technologies such as AI and automation to both support people to become more productive and to enable the workplace to maximise efficiencies and productivity.
- > Workplace: work with the FM sector to support initiatives that help deliver effective spaces around the need of users, potentially delivering a £20 billion uplift to the UK economy<sup>7</sup>. Linked with this is the wider implementation of Soft Landings and building information modelling (BIM).
- > Engage with the FM profession to improve public procurement by looking at the workplace as a lever to increase productivity and lower building lifecycle costs, now that the UK will leave the EU procurement framework.
- > Invest in and support global export of our world leading FM services, whilst at the same time ensuring an appropriate UK regulatory framework that will allow seamless, ongoing cross-border trade with Europe.
- > Wider employment policies that encourage people to return to work, support a diverse and inclusive workforce and ensure an appropriate and secure income.

## About FM

“Facilities management is the organisational function which integrates people, place and process within the built environment with the purpose of improving the quality of life of people and the productivity of the core business.”<sup>8</sup>

Encompassing multi-disciplinary activities, it contributes to the everyday functioning of hospitals, airports, universities, down to ordinary businesses. By making the workplace as efficient as possible, FM professionals have a major role to play in making the UK a more productive place<sup>9</sup>. At the same time, without FM support, the economy would grind to a halt.

The health of the wider FM industry, which accounts for around 7% of GDP<sup>10</sup>, has a major impact on the overall UK economy and plays a positive role in supporting the government’s climate change targets and societal and modern slavery programmes amongst others.

## About BIFM

The BIFM is the professional body for FM. Founded in 1993, we promote excellence in facilities management for the benefit of practitioners, the economy and society.

We represent and support over 17,000 members around the world, both individual FM professionals and organisations. We do this through a suite of membership, qualifications, training and networking services designed to support FM practitioners in performing to the best of their ability.

We also provide guidance and support research that helps increase workplace productivity which will ultimately contribute to raising standards, a happy workforce and healthy economy, and provide a platform for meaningful and evidenced debate on issues of importance.

Based in the UK, BIFM’s global reach has been formalised during the last few years by establishing regional operations in Ireland, the United Arab Emirates and Nigeria. In total, BIFM is represented in 80 countries across the world.

## Key facts

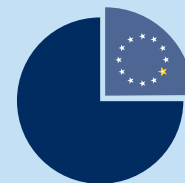


• The UK FM sector accounts for around **7%** of the UK’s GDP<sup>11</sup>



• The value of the FM sector is put at up to **£120 billion**<sup>12</sup>

• FM employs almost **10%** of the UK’s workforce<sup>13</sup>



• In parts of the industry, up to **24%** of the FM workforce are EU nationals<sup>14</sup>

• An effective workplace can improve productivity by **1-3.5%**, potentially delivering a **£20 billion** uplift to the UK economy<sup>15</sup>

<sup>7,9, 15</sup> The Stoddart Review – The Workplace Advantage, (December 2016), 42p.

<sup>8</sup> International Standards Organisation ratified definition, ISO 41 011

<sup>12</sup> Value Judgement, Facilitate, FM World, May 2017, p. 49