

Inter Marine Group

24th June 2021

FAO: The Rt Hon Tobias Ellwood, MP

Re. Brexit, Immigration, Pre-Settled / Frontier Worker Status in support of Strategically Important Shipbuild Projects

Dear Mr Ellwood,

I write to you given your Military background and position as Chair of the Defence Select Committee.

The provision of suitable equipment is of critical importance to the success of our Armed Forces. Included is the supply of adequate Naval capability, for which a number of concurrent build programmes are underway, including three new Type 26 Frigates in Govan shipyard on the Clyde and a further five Type 31 Frigates in Rosyth with construction set to commence later this year. I have direct project delivery experience from across UK Shipbuild and Infrastructure Projects and I highlight an upcoming skills crisis as our industries are no longer able to access the international pools of labour which have successfully supported our ship build projects over the past 10-15 years. The result will likely be programme delays and cost overruns, ultimately leaving our Armed Forces without the tools they need to do the job.

I write as Director of Intermarine UK – a supplier of specialist shipbuilding skills into the UK Shipbuilding Industry, requesting support in finding a route to supplement existing resources across UK shipbuilding projects with international labour in light of the upcoming end to the EU settlement scheme in June 2021.

The UK Shipbuilding industry faces severe resource shortages – both domestically due to long term skills depletion, and internationally due to upcoming changes to legislation and existing restrictions within current application processes.

Since 2011, our organisation has supported the build of Royal Navy Vessels, including the Flagship aircraft carrier, HMS Queen Elizabeth and HMS Prince of Wales. Most recently, our organisation helped to deliver the RRS Sir David Attenborough (*Boaty McBoatface*).

I am a proud shipbuilder, keen to support our Royal Navy by using what I have learned across multiple infrastructure sectors since my graduation in 2008.

Ongoing defence programmes, such as the build of three Type 26 Frigates in Govan and a further five Type 31 Frigates in Rosyth will require access to Labour markets in countries such as Poland and Romania in order to supplement local workforces throughout these concurrent projects. Significant skills shortages exist in Marine Welding, Plating and Fabrication, Pipe Fitting and across Mechanical Fitting.

Failure to deliver these vessels on time leaves our Royal Navy without the tools required to extend it's global influence.

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Historically, our organisation has supplied international labour from countries including Poland & Romania, where the shipbuilding industry remains well developed with mature resources available. Our workers have typically accessed the UK market via achieving 'Pre-Settled' status, however, new applications via this route are no longer available after 30th June 2021 as the EU Settlement scheme comes to an end. An alternative route via achieving 'Frontier Worker' status is available, but stringent criteria place severe limitations on this route.

The result is that a finite pool of resources exists, which we estimate at c.200-300 workers who have the appropriate skills and employment status to support these strategically important projects. These workers are currently deployed around the UK and the rest of Europe across Defence and Commercial shipbuild and ship repair activities. We highlight that with the Type 26 programme underway, steel cutting for the Type 31 Frigates forecast to commence in the coming months and the Future Solid Support Vessel build project on the horizon, a major international skills shortage crisis is looming, over and above the domestic skills challenges we read so much about.

I want to state unequivocally that Intermarine UK is committed to building a UK apprenticeship programme by working in partnership with SMEs and training organisations in the vicinity of UK shipyards. This is underpinned by our 'Yard-in-a-Yard' approach to delivering UK works, which significantly boosts UK shipbuilding capacity by utilising existing space inside client shipyards whilst providing a stand-alone project capability taking best practice approaches from across mega project delivery.

We therefore consider ourselves as a crucial support partner in the delivery of these complex defence programmes by focussing on the long term skills development of young people, rather than a short term band-aid which is used to supplement capacity as required.

Our team continues to highlight these issues Domestically and Internationally with representatives from across the UK and Polish Diplomatic teams as well as our colleagues in the Department for International Trade to support current market demands.

We continue to investigate how our operations could be delivered by achieving UK Visa licence sponsorship status, but regard this route as a medium to long term fix rather than a solution to the immediate challenges we face right now.

Any support or advice you could offer which would help facilitate the introduction of international tradesmen into the UK would provide a significant boost to these defence programmes, the outputs of which are critical for the success of our Navy going forward.

With kindest regards



Nick Mansell MBA CEng

Director – Intermarine UK