

UK Immigration and preparing for the changes ahead

With many material changes on the horizon, businesses can take steps now to prepare themselves.

The main changes will be:

Tier 2 Immigration Skills Charge of £1,000

In addition to the existing charges, the Home Office plans to impose a "skills levy" on Tier 2 employers at a rate of £1,000 per Certificate of Sponsorship, per year. Tier 2 (ICT) Graduate Trainees and Tier 4 students switching to Tier 2 will be exempt and a reduced rate of £364 will apply to small and charitable sponsors.

The Home Office is still considering the finer details but the levy is expected to be implemented for applications made from April 2017 onwards.

Increased minimum salary thresholds for Tier 2 (General) experienced workers

With limited exceptions, in April 2017 the minimum salary threshold for experienced workers will increase from £25,000 to £30,000¹. The minimum salary requirement for new entrants will remain unchanged at £20,800.

Closure of Tier 2 (ICT) Short Term Staff

In April 2017, the Tier 2 (ICT) Short Term Staff category will close to new applications. This will see Tier 2 (ICT) become a single category with a minimum salary threshold of £41,500 (except for Graduate Trainees). This follows the closure of the Tier 2 (ICT) Skills Transfer sub category to new applications in November last year.

Further upcoming changes to Tier 2

- Tier 2 (ICT) applicants will soon be required to pay the Immigration Health Surcharge of £200 per year, although this will not apply to the Graduate Trainee sub category. Whilst the government originally planned for this to be introduced in autumn 2016, the change has not yet come into force and an implementation date still has not been confirmed, though this is expected relatively soon.
- The Tier 2 (ICT) Graduate Trainee sub category will remain open and from April 2017 the minimum salary threshold will reduce from £24,800 to £23,000. In addition, the number of trainees an employer may sponsor in this sub category will increase from 5 to 20.
- From April 2017, where Tier 2 (General) sponsorship is associated with the relocation of a high-value business to the UK or potentially supports inward investment, the requirement to complete the resident labour market test may be waived.
- From April 2017, the minimum salary threshold for Tier 2 (ICT) Long Term Staff migrants extending their visas beyond five years will reduce from £155,300 to £120,000.
- Also, from April 2017, Tier 2 (ICT) migrants will no longer need to meet the one year experience requirement if they are to be paid at least £73,900 per annum.

Tier 2 (ICT) Short Term Staff due to close in April 2017

Tier 2 Immigration Skills Charge of £1,000 to be introduced

¹ or the going rate in the relevant Code of Practice, whichever is higher

Sponsor licence compliance and the relaxing of the document keeping requirements

Tier 2 Sponsors will already be aware of the need to retain certain documents in order to be compliant with their duties as a sponsor and to maintain their licence.

The rules on how long certain documents need to be retained for were recently relaxed to one year following the end of the sponsorship or until the documents have been viewed by a compliance officer, whichever is the shorter.

Whilst this update will be welcome news to many sponsors, this change does not apply to evidence relating to the completion of right to work checks, which still need to be kept for at least two years following the end of employment. In addition, sponsors should bear in mind that some documents may need to be kept for longer periods of time to satisfy other legal record keeping requirements.

Brexit and EU nationals living in the UK

Whilst the UK is currently still a member of the EU and nothing has yet changed, it may be prudent for businesses to review their domestic workforce ahead of Brexit in order to identify which of their workers rely on UK membership of the EU to lawfully work in the UK. This will help to identify possible areas of vulnerability ahead of any changes.

Some practical tips that your EU workforce and their dependants may consider taking to prepare for the UK leaving the EU are as follows:

- Individuals who are eligible may wish to consider applying for either permanent residence or British citizenship.
- EEA nationals and/or their family members that are currently in the UK and qualify for permanent residence may wish to submit an application to the Home Office

Maintaining your Sponsor Licence

Tier 2 sponsors will already be aware that the Home Office carries out compliance visits to check the sponsor's duties and obligations are being fulfilled effectively. Such visits can be either by prior arrangement or unannounced.

We can help you prepare for such a compliance check by visiting you to review your HR functions and systems to ensure you are compliant with all your sponsor duties and obligations ahead of a visit by the Home Office.

for a document certifying permanent residence or a permanent residence card.

- Provided they meet the eligibility criteria, EEA nationals who have held permanent residence for one year (or less in certain circumstances) may wish to apply to naturalise as a British citizen as a precautionary measure. Applicants should check before applying whether British citizenship would have any implications for any family members that are dependant on their EEA immigration status.

Applicants should also check before applying whether British citizenship would have any implications on their current nationality.

Some EEA countries do not permit their nationals to obtain citizenship of other countries.

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