

# The UK's points-based immigration system An introduction for employers



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Freedom of movement between the UK and EU ended on 31 December 2020. The UK has now implemented a points-based immigration system that treats EU\* and non-EU citizens equally. Anyone you want to hire from outside the UK, excluding Irish citizens, will need to apply for permission in advance.

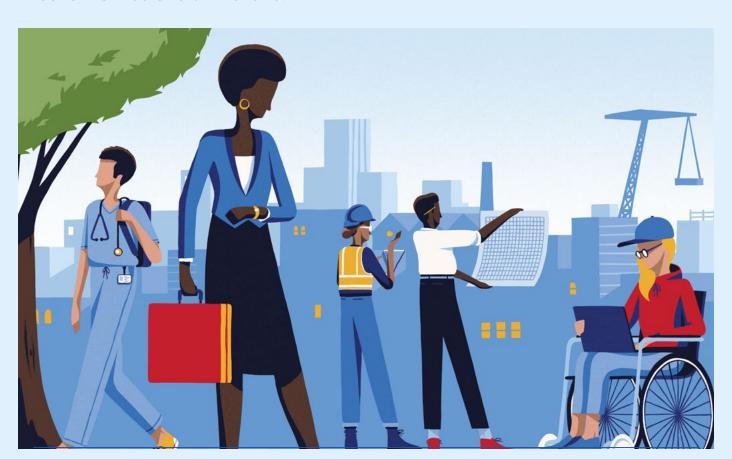
You now need a sponsor licence to hire most eligible employees from outside the UK. Before applying to be a sponsor you should check that the people you want to hire will meet the requirements for coming to the UK for work.

Under the points-based immigration system, anyone coming to the UK for work must meet a specific set of requirements for which they will score points. Visas are then awarded to those who gain enough points.

The system provides flexible arrangements for UK employers to recruit skilled workers from around the world through a number of different immigration routes.

This represents a significant change for employers recruiting from outside the UK. This guide provides an overview of the points-based immigration system and sets out the steps employers should take to adapt their business.

\* References to citizens of the European Union also relate to citizens of the European Economic Area and Switzerland.



#### **Skilled Worker route**

You need to have a sponsor licence to hire most workers from outside the UK. This does not apply when hiring Irish citizens or EU citizens eligible for status under the EU Settlement Scheme.

Under the Skilled Worker route, anyone you want to hire from outside the UK will need to demonstrate that:

- they have a job offer from a Home Office licensed sponsor
- the job offer is at the required skill level RQF 3 or above (A Level and equivalent)
- they speak English to the required standard

In addition to this, the job offer must meet the applicable minimum salary threshold. This is the higher of either:

- the general salary threshold of £25,600, or
- the specific salary requirement for their occupation, known as the 'going rate'

All applicants will be able to trade characteristics, such as their qualifications, against a lower salary to get the required number of points. If the job offer is less than the minimum salary requirement, but no less than £20,480, an applicant may still be eligible if they have:

- a job offer in a specific shortage occupation
- a PhD relevant to the job
- a PhD in a STEM subject relevant to the job

There are different salary rules for workers in certain health or education jobs, and for 'new entrants' at the start of their careers.

Further information on the "going rate" for specific occupations and further exemptions can be found in Annex E of the UK points-based immigration system: further details statement.

# A total of 70 points is needed to be able to apply to work in the UK

Characteristics	Mandatory/ Tradeable	Points
Offer of job by approved sponsor	Mandatory	20
Job at appropriate skill level	Mandatory	20
Speaks English at required level	Mandatory	10
Salary of £20,480 to £23,039 or at least 80% of the going rate for the profession (whichever is higher)	Tradeable	0
Salary of £23,040 to £25,599 or at least 90% of the going rate for the profession (whichever is higher)	Tradeable	10
Salary of £25,600 or above or at least the going rate for the profession (whichever is higher)	Tradeable	20
Job in a shortage occupation as designated by the Migration Advisory Committee	Tradeable	20
Education qualification: PhD in a subject relevant to the job	Tradeable	10
Education qualification: PhD in a STEM subject relevant to the job	Tradeable	20

# Identifying whether a job meets the required skill level

All jobs have a corresponding Standard Occupational Classification (SOC) code. Each SOC code has a designated skill level. This determines whether the job meets the requirements of the Skilled Worker route.

The full list of occupation codes allowed under the Skilled Worker route can be found in the further details section of the points-based immigration system guidance.

More information will be published on GOV.UK in due course.

#### **Skilled Worker case studies**

Lab technician with a STEM PhD coming to the UK with salary offer of £21,000. The general salary threshold applies.

General salary threshold: £25,600		
Job offer	20	
RQF 3 or above	20	
English language	10	
Salary	0	Lower salary
Education qualification: STEM PhD	20	traded for STEM PhD
Total	70	

Mechanical engineer coming to the UK with salary offer of £26,750. The 'going rate' salary threshold for the profession applies.

Going rate salary threshold: £33,400		
Job offer	20	
RQF 3 or above	20	
English language	10	Lower salary
Salary	0	traded for job in shortage occupation
Job offer in a shortage occupation	20	
Total	70	

Alongside the Skilled Worker route, there are a number of other immigration routes to provide businesses with the flexibility they need. Some of these routes do not require you to be a sponsor.

#### **Global Talent route**

The Global Talent route has opened to EU citizens on the same basis as non-EU citizens. This means the most highly skilled, who can achieve the required level of points, will be able to enter the UK without a job offer if they are endorsed by a recognised UK body, as approved by the Home Office.

You do not need to be a licensed sponsor to employ a migrant under the Global Talent route.

This route is designed to attract recognised global leaders and promising individuals in science, humanities, engineering, the arts and digital technology. Top scientists and researchers can benefit from a quicker endorsement process as part of a fast track STEM scheme.

As of January 2021, the current list of approved endorsing bodies is as follows:

- The Royal Society, for science and medicine
- The Royal Academy of Engineering, for engineering
- The British Academy, for humanities
- UK Research and Innovation, for science and research
- Tech Nation, for digital technology
- Arts Council England, for arts and culture

#### **Graduate route**

The Graduate Visa will be available to international students who have completed a degree in the UK from summer 2021. This will enable international students to remain in the UK and work at any skill level for two years after they have completed their studies. It will be an unsponsored route.

International students who complete a PhD from summer 2021 can stay in the UK for three years after study to live and work. This will make it easier for some of the best young international graduates to secure skilled jobs in the UK and contribute to economic growth.

# **Intra-company Transfer**

The Intra-company Transfer (ICT) route allows multinational organisations to facilitate temporary moves into the UK for key business personnel through their subsidiary branches, subject to ICT sponsorship requirements being met. The route requires applicants to be in roles skilled to RQF 6 (graduate level equivalent), and subject to a different minimum salary threshold from the main Skilled Worker route.



#### Other routes

## Route

#### **Employer information**



Start-up and Innovator The Start-up and Innovator routes are designed to attract entrepreneurial talent and innovative, scalable business ideas to the UK. Start-up is for those setting up an innovative business for the first time, and Innovator is for those with industry experience and at least £50,000 funding. Applicants can be individuals or teams.



**Health and Care visa** 

The Health and Care Visa is part of the Skilled Worker route. It enables individuals to come to the UK to work if they are working in eligible health occupations, with a job offer from the NHS, social care sector or organisations that provide services to the NHS.



**Creative route** 

This route is for applicants in the creative industry who are entering the United Kingdom for short-term contracts or engagements for up to 12 months. Applicants must have a confirmed job offer and their employment sponsored by a UK employer licensed by the Home Office.



Sporting routes

International sportspeople must also have a confirmed job offer and their employment sponsored by a UK employer licenced by the Home Office. Additionally, they must have an endorsement from the relevant governing sports body.



Seasonal Workers Pilot

The Seasonal Workers Pilot is currently running until the end of 2021 enabling the recruitment of a limited number of temporary workers for specific roles in the horticultural sector.



**Youth Mobility** Scheme

Employers can also benefit from the youth mobility scheme. The UK has arrangements in place with eight countries and territories to enable around 20,000 young people to come to the UK to work and travel each year. Applicants must be 18 to 30 years old and can stay up to two years.

# EU citizens already living in the UK

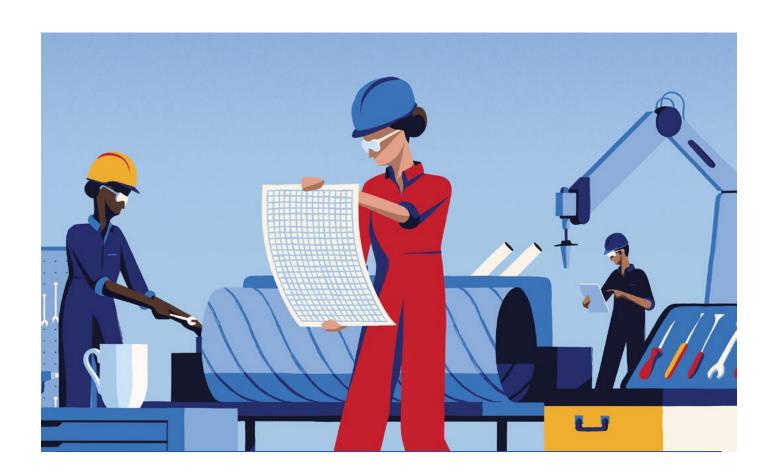
The points-based immigration system does not apply to EU citizens already living in the UK by 31 December 2020. They and their family members are eligible to apply to the EU Settlement Scheme and have until 30 June 2021 to make an application.

As a transition measure, employers can continue to accept the passports and national identity cards of EU citizens as evidence of their right to work up until 30 June 2021.

However, some EU citizens may choose to evidence their right to work using their digital status obtained from the Home Office. This can be undertaken by using the Home Office online right to work checking service. Further information on how to undertake an online right to work check can be found on GOV.UK

#### **Frontier workers**

A frontier worker is someone from the EU who is employed, or self-employed in the UK, but lives elsewhere. Anyone frontier working in the UK by 31 December 2020 will be able to keep their status, but they will need to apply for a permit. Irish citizens who are frontier working into the UK do not need to apply for a permit, but they can if they want to.



## Becoming a licensed sponsor

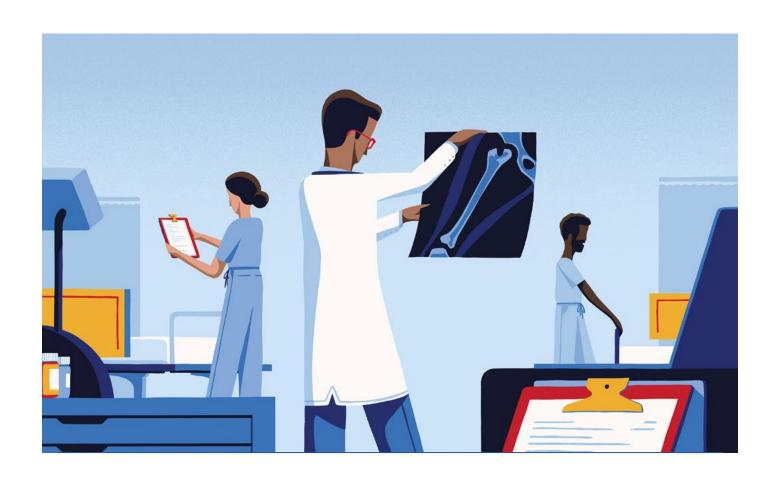
If you are not already a licensed sponsor and you think you will want to sponsor migrants through the Skilled Worker route, you should apply now.

You need to apply to be a sponsor if you want to recruit workers through the Skilled Worker route from outside the UK. Before applying you should check that the people you want to hire will meet the requirements for coming to the UK for work.

The standard processing time for an application is usually eight weeks and will start when we receive your application. As a licensed sponsor, you will be able to hire eligible employees from anywhere in the world.

Some immigration routes, such as Global Talent, are 'unsponsored'. You don't need a licence to hire employees with an unsponsored visa.

You do not need to be a sponsor to recruit Irish citizens or anyone from the resident labour market with an existing right to work in the UK. This includes EU citizens with settled or pre-settled status, and non-EU citizens with indefinite leave to remain in the UK.



#### You will need to:

#### 1. Check your business is eligible.

To get a licence, you cannot have unspent criminal convictions for immigration offences or certain other crimes, such as fraud or money laundering.

#### 2. Choose the type of skilled worker licence you want to apply for.

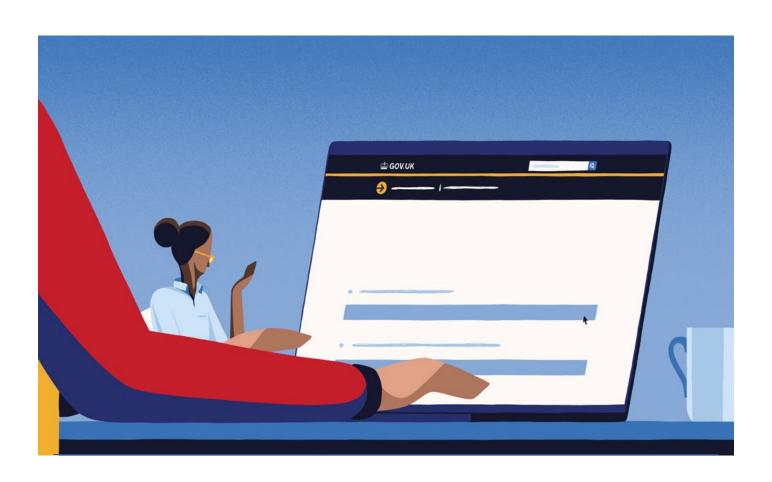
This will depend on whether you are sponsoring a job applicant for general purposes, or for the purpose of an ICT. You can apply for a licence covering either or both.

#### 3. Decide who will manage sponsorship within your business.

You need to appoint people within your business to manage the sponsorship process when you apply for a licence. The main tool they'll use is the sponsorship management system (SMS). The roles are:

- authorising officer a senior and competent person responsible for the actions of staff and representatives who use the SMS
- key contact your main point of contact with UK Visas and Immigration (UKVI)
- level 1 user responsible for all day-to-day management of your licence using the SMS

These roles can be filled by the same person or different people.



### 4. Apply online and pay a fee.

Type of licence	Fee for small or charitable sponsors	Fee for medium or large sponsors
Tier 2	£536	£1,476
Tier 5	£536	£536
Tier 2 and Tier 5	£536	£1,476
Add a Tier 2 to an existing Tier 5	No fee	£940
Add a Tier 5 to an existing Tier 2	No fee	No fee

The fees stated are current as of November 2020. Fees are kept under review and may be subject to change. Please check GOV.UK

You're usually a small business if:

- your annual turnover is £10.2 million or less
- you have 50 employees or fewer

Contact the Business Helpdesk if you're unsure which category your business fits into: businesshelpdesk@homeoffice.gov.uk

# **Immigration Skills Charge**

The Immigration Skills Charge is a fee paid by a UK employer for each skilled migrant worker they employ through the Skilled Worker and Intra-company Transfer routes. You will need to pay the charge when sponsoring both EU and non-EU migrant workers. Employers must pay £1,000 per skilled worker for the first 12 months, with an additional £500 charge for each subsequent six-month period. Discounted rates will apply as they do now to charities and small business.

For full guidance on becoming a sponsor or to begin your application, visit: GOV.UK



For more information on the points-based immigration system and to sign up for email alerts, visit GOV.UK/HiringFromTheEU

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