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Sponsor licence essentials for employers (June 2025)

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What to consider when employing a migrant worker

Employing migrant workers

What is a sponsor licence?

A licence which enables you to sponsor skilled workers from overseas.

Who does not require sponsorship?

- British & Irish citizens
- Those with settled or pre-settled status under the EU Settlement Scheme
- Those with indefinite leave to remain in the UK
- Those on non-sponsored visa routes permitting work in the UK (such as those on a graduate visa).

All other workers from overseas will require sponsorship.

Sponsor licence

Demonstrate that you are a genuine business operating and/or trading lawfully in the UK.

- Show that you are a legitimate business trading in the UK by providing the relevant supporting documentation.
- Comply with all UK laws
- A resident in the UK who can form part of your key personnel
- Financial stability.

Genuine need?

- A role cannot be 'created' to sponsor a migrant worker the role must come first
- Business reason.

Does the role meet the requirements?

- SOC code
- Salary requirements.

How to obtain a sponsor licence

Application process

Types of sponsor licence

There are several different types, for example:

- Skilled worker
- Senior or specialist worker
- Expansion worker.

Application process



We can provide support throughout this process and beyond.

www.willans.co.uk

Application process – documentation

Appendix A

- 'Business case'
- Questions online.

Tip: Be considerate of remote working and how that is managed.

Supporting documents

- At least four documents required
- The more the better.

Other considerations – key personnel

Three roles to be assigned by the sponsor:

- Authorising officer
- Key contact
- Level 1 user.

Additional optional role:

• Level 2 user.

Access to SMS:

- Level 1 user
- Level 2 user (limited).

You must have an eligible **authorising officer** and **level 1 user** throughout the life of your licence. If you do not, UKVI will revoke your licence.

NB: The sponsor is always responsible for any actions of the key personnel on SMS!

Application process – decision timescales

Two stages

- Online application
- Submission email
- Fees!

Priority processing

- Five working days
- Subject to daily allocation
- £500.

Non-priority processing

• Up to eight to ten weeks, however further information requests may cause delays.

Duties & compliance as a sponsor

Sponsor duties – general overview

- Reporting
- Record-keeping
- Compliance with immigration law and sponsorship guidance
- Compliance with wider UK law
- Not engaging in behaviour that is not conducive to the public good.

You are also responsible for your sponsored workers!

Reporting duties – examples

Changes to be reported within <u>10 working days</u>:

• Changes to migrant worker circumstances.

Changes to be reported within <u>20 working days</u>:

• Changes to your business.

Changes to be reported without delay:

• Breach of immigration laws.

Legal advice may be required to check whether reporting duties are triggered.

What if you don't comply?

Consequences of non-compliance can include:

- Licence revocation
- Licence downgrade
- Risk of civil penalty
- Significant reputational risk.

Compliance with immigration law – highlights

- Only employ workers who are appropriately qualified, registered or experienced to do the job (or will be by the time they begin).
- Keep a copy of any registration document, certificate or reference that confirms they meet the requirements of the specific job.
- Don't employ workers where they do not have the experience, qualifications or immigration permission to do the job in question. Stop employing any workers who, for any reason, are no longer entitled to do the job.
- Don't assign a CoS where there is no genuine vacancy or role which meets the worker or temporary worker criteria.
- Only allow the worker to undertake the roles permitted by the conditions of their stay.
- Only assign a CoS to workers who you believe will meet the immigration requirements of the route on which you propose to sponsor them and are likely to comply with the conditions of their permission.
- Only assign a CoS to a worker if you are satisfied they intend to and are able to fill the role.

Right to work checks

All employees

• Including British citizens.

Non-discriminatory

• Equal treatment.

Statutory excuse

• Crucial these checks are done properly.

Failure to comply

• Large fines – £45,000 initially, £60,000 for repeated breaches.

Benefits to becoming a sponsor

Sponsor licence benefits

- Your business will appeal to a larger, global recruitment pool
 - Fewer recruitment limits
 - Register of licensed sponsors: workers
 - No skill set is out of reach
 - No need to provide training.
- Expansion & innovation
 - Cross global connections which could lead to exciting prospects.
- Business advantage
 - Stand out against your competitors.

Recent changes

Increase in visa & sponsorship fees

Effective as of 9 April 2025

Fee	Previous fee	Fee from 9 April 2025	Change
Certificate of Sponsorship (SW, SSW, etc.)	£239	£525	£286!
Skilled worker visa – outside UK (3 years)	£719	£769	£50
Skilled worker visa – outside UK (5 years)	£1,420	£1,519	£99
Skilled worker visa – inside UK (3 years)	£827	£885	£58
Skilled worker visa – inside UK (5 years)	£1,636	£1,751	£115

*Non-exhaustive list

Increase in UKVI fees

Sponsoring a migrant worker – employer's costs:

- Certificate of Sponsorship fee
- Immigration skills charge.

	Previously	Fee from 9 April 2025
Certificate of Sponsorship fee	£239	£525
*Immigration skills charge (small sponsors)	£364 per year	£364 per year
*Immigration skills charge (medium & large sponsors)	£1,000 per year (approx.)	£1,000 per year (approx.)

*The government announced its plans to increase the immigration skills charge by 32% in the future.

Sponsoring a migrant worker – employee's costs:

- Personal visa immigration fee
- Immigration health surcharge (£1,035 per year of sponsorship).

	Previously	Fee from 9 April 2025
Skilled worker visa – outside UK (3 years)	£719	£769
Skilled worker visa – outside UK (5 years)	£1,420	£1,519
Skilled worker visa – inside UK (3 years)	£827	£885
Skilled worker visa – inside UK (5 years)	£1,636	£1,751

Prohibition on recouping sponsorship fees

It is now expressly stated that sponsors are responsible for the following:

- Sponsor licence application fee (including fee for adding routes)
- Certificate of Sponsorship fee
- Immigration skills charge
- Associated administrative costs (including priority services fees or legal fees).

If a sponsor recoups – or attempts to recoup – such fees, UKVI will normally revoke their licence.

Skilled worker – minimum 'floor' salary threshold

Standard salary requirement

In general, skilled workers must be paid the highest of:

- £38,700 per year (based on a 37.5 hours working week)
- The 'going rate' for their job.

Exceptions

- 'New Entrant', PhD and other discounts
- Jobs on immigration salary list
- Jobs in healthcare or education here, the minimum salary floor increased to £25,000 per year (£12.82 per hour)

'New entrant' discount – changes

A migrant worker can be paid the higher of either 70% of the job's standard going rate or at least £30,960 per year, <u>if one of the following applies</u>:

- They are under 26
- They are (or have recently been) in the UK on a student visa
- They are (or have recently been) in the UK on a graduate visa
- They are working towards a recognised UK professional qualification in a UK-regulated profession
- They are working towards full registration or chartered status with the relevant professional body for the job they are sponsored for.

New requirement – discount is now only applicable if an applicant's training is for a UK professional qualification.

Changes in salary assessment

When determining whether a salary meets the requirements, UKVI will now subtract the following:

- Deductions related to business costs, immigration costs or investments
- Loan repayments related to the above costs
- Investments in the sponsoring organisation or related entities.

Salary assessments – additional steps to take:

- Are costs being recouped? If so, are such in line with the new guidance?
- Review claw-back arrangements on a case-by-case basis
- Apply any applicable deductions to the salary figure before assessing against relevant thresholds.

Changes in immigration rules

Highlights

- Automatic conversion of pre-settled status to settled status
- Minor changes to the Ukraine Scheme
- ETA further roll out and fees increase
 - Further countries (including EU) required to obtain ETA from 2 April 2025
 - Fees increased from £10 to £16 as of 9 April 2025.

White paper 2025

White paper – skilled worker route

Government announced the following intentions:

1. Minimum skill requirement – threshold to raise

- Threshold to raise from RQF Level 3 (A-levels) to RQF Level 6 (Degree-level)
- Number of eligible occupations to be reduced by approx. 180 occupations
- Existing skilled worker visa holders not to be impacted
- <u>BUT</u> implications for future application from overseas or those switching visa routes
- NO TIMESCALES ANNOUNCED.

2. The immigration salary list to be abolished

- Significantly reduced earlier this year
- To be replaced by a new temporary shortage list
- Only roles in sectors key to the industrial strategy or delivering critical infrastructure are to be added, and only for short-term period.

White paper – skilled worker route

3. The immigration skills charge to increase

- First increase since it was introduced
- To increase by 32%
- Funds to be used to support skills funding for priority sectors to upskill the domestic workforce and reduce reliance on migration over the medium term.

Immigration skills charge	Current rate	If increased by 32% (approx.)
Small sponsors	£364 per year	£480 per year
Medium & large sponsors	£1,000 per year	£1,320 per year

White paper – skilled worker route

4. Adult social care visas to end

- Earlier changes significantly impacted this route
- Government has ongoing concerns that this route led to abuse and exploitation on individual workers
- No timescales announced yet
- Transition period until 2028 extension to be permitted and in-country switching allowed, BUT to be under review.

White paper – graduate & student visas

5. Graduate visa to shorten

- Currently allowed to stay for two years after graduation (three years if PhD)
- Plan to shorten the ability to stay in the UK on graduate visa to 18 months
- Potential levy on higher education to be reinvested to higher education and skills system
- No timescales announced yet.

6. Student visa requirements to strengthen

- The requirements that all sponsoring institutions must meet to recruit international students will strengthen
- Red-amber-green banding system for sponsoring institutions to be introduced.

White paper – family visa reform

7. Plan to reform family migration

- Introduction of clear relationship requirements
- New requirement to have an appropriate level of English language skills (adult family dependants)
- Requirement to have sufficient finances to support any migrants.

New rules to be expected before the end of 2025.

White paper – English language requirements

8. English language requirements

- Introduction of English language requirements across a broader range of immigration routes
- Increase of language requirements for skilled workers and workers where a language requirement already applies from B1 to B2 levels
- Introduction of a new English language requirement for all adult dependants and students at level A1
- Introduction of a requirement to demonstrate progression to level A2 for any visa extension and B2 for settlement.

White paper – settlement

9. Settlement

- The expansion of the point-based system increase the qualifying period for settlement to 10 years
- A shorter pathway to settlement for non-UK dependants of British citizens will remain (five years)
- The opportunity for individuals to reduce the qualifying period based on points-based contributions to the UK economy and society (subject to consultation)
- New bereaved parent route to be introduced
- Further support for children who have been in the UK for some time and upon turning 18 discover they do not have status.

Q&A session

Next events coming up

24 September 2025 – Autumn employment law update

Online webinar 10am-11:30am – <u>register</u> <u>now</u> or go to our website at <u>www.willans.co.uk/events</u>



12 November 2025 – Right to work checks for employers

Online webinar 10am-11am – <u>register</u> <u>now</u> or go to our website at <u>www.willans.co.uk/events</u>



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