

### Introduction

As part of the overhaul of the immigration application process, the newly revamped Tier 2 Skilled Migrant Category will be introduced this coming November, which will replace the current work permit scheme.

**This will effect every new work permit application or renewal from November 2008.**

### New Points Based System

The new system requires all applicant employers to become licensed sponsors to be able to process work permits. This status is obtained by applying to the UK Border Agency (UKBA). This new system will require employers to have a greater understanding of the system, as essentially it is a self-certification process, where the employer will assess whether the worker they are applying for fits the criteria as set out and required by the immigration legislation.

### Sponsorship Licences

A sponsorship licence will be valid for a period of 4 years, and must be renewed prior to its expiry.

There will be 2 categories of sponsors under the new system.

By and large, most sponsors will be A-rated, meaning that the sponsor has the ability to issue a certificate of sponsorship to a perspective individual (employee/student). The significance of this certificate is that the sponsor (the employer) undertakes that certain conditions are met in order to ensure that the sponsored individual is eligible to work within the UK, representing a huge responsibility.

The second category is for sponsors who are B-rated. This is a transitional category, which allows sponsors who are not fully compliant with the UKBA criteria, or is for those sponsors that are considered to pose a great risk. Sponsors would only be placed in this category in order to assist them in becoming compliant or as a warning that they are in breach, but would need to rectify the breach within a set period of time.

### Duties of Disclosure

It is essential for employers who hold sponsorship licences to maintain detailed records of all foreign nationals that they sponsor and report to the UKBA any changes in status, or any breaches of the conditions of their immigration status. These records can be audited by the UKBA, with or without notice. These records will include copies of relevant documents such as passports, qualifications and certificates.

### Penalties

Apart from the potential of losing their sponsorship licence, sponsors should also be aware of the civil and criminal penalties that were put in place earlier this year. Employers now face fines of £10,000 per illegal employee working within their organisation. Furthermore, if an employer knowingly hires an illegal worker, an unlimited fine as well as imprisonment can occur.

### What Should I Do Now?

It is currently taking around 8 weeks to secure a sponsorship licence so, if you are an employer with an employee whose permit will expire before the end of November, then quickly apply for a permit renewal by the end of October under the old work permit system.

If you have an employee whose permit expires after the end of November or you are thinking on taking migrant workers, then apply to the UKBA for a sponsorship licence – and start training the personnel involved in your hiring process about the new system. Do let us know if we can help!

### **STOP PRESS! STOP PRESS! STOP PRESS!**

#### **INCREASE IN MINIMUM WAGE**

From 1 October 2008, the National Minimum Wage increases are as follows:

21 Years Plus	– Increase from £5.52 to £5.73
18 to 21 Years	– Increase from £4.60 to £4.77
16 and 17 Years	– Increase from £3.40 to £3.53

### Can We Help?

If you need help on any issue associated with the employment or performance of your employees, please call us on **01708 758958**. Alternatively visit us at [www.hrinsight.co.uk](http://www.hrinsight.co.uk).