

Briefing Note

11th November 2008

Points Based Migration System - What You Need To Know

General Overview

The first tier of the government's new immigration points system was introduced in March 2008, with Tier 2 due to come on stream in November. The new system is a points based scheme similar to the one that operates in Australia.

In summary, the system:

- Condenses the previous work and study routes into five tiers;
- Enables applications to be assessed based on points which are awarded on worker aptitude, experience, age and sector skills shortages;
- Provides a transparent and objective system.

The system is split into five tiers depending on the type of entry clearance (permission to enter) being applied for:

- Tier 1: Highly skilled individuals to contribute to growth and productivity;
- Tier 2: Skilled workers with a job offer to fill gaps in United Kingdom labour force;
- Tier 3: Limited numbers of low skilled workers needed to fill temporary labour shortages;
- Tier 4: Students;
- Tier 5: Youth mobility and temporary workers.

Each tier has different conditions, entitlements and entry clearance checks. Tiers 3 and 5 are for temporary stays and are not transferable into any of the other tiers.

Some aspects of the points system are still subject to change.

For more information refer to:

www.bia.homeoffice.gov.uk/managingborders/managingmigration/apointsbasedsystem/



Current schedule for launch

The new points based system is being introduced in phases. Key dates are shown below:

Tier	Statement of intent	Applications open
Tier 1: General	7 December 2007	29 February 2008
Tier 1: General (India)	7 December 2007	1 April 2008
Tier 1: General (worldwide)	7 December 2007	30 June 2008
Tier 1: Investors	7 December 2007	30 June 2008
Tier 1: Entrepreneurs	7 December 2007	30 June 2008
Tier 1: Post-study	7 December 2007	30 June 2008
Sponsor registration for Tier 1 (General) and intra-company transfers	22 November 2007	Autumn 2008
Sponsor registration for tiers 2, 4 and 5	22 November 2007	28 July 2008
Tier 2: Skilled workers with a job offer	6 May 2008	27 November 2008
Tier 3: Limited numbers of low skilled workers needed to fill temporary labour shortages	This tier is currently suspended	
Tier 4: Students	30 July 2008	March 2009
Tier 5: Youth mobility and temporary workers	5 May 2008	November 2008

Tier 1

Tier 1 replaced the previous Highly Skilled Migrant Programme. Since March 2008 highly skilled foreign nationals who are currently working in the UK and want to extend their stay must apply for an extension through Tier 1 of the new points based system. Since 1st April 2008, Tier 1 has applied to applicants from India who are applying for permission to enter the UK.

Tier 1 has four sub-categories:

- General: highly skilled, self-employed or setting up a business;
- Investor: for applicants making large investments in the United Kingdom;
- Entrepreneur: for applicants setting up or taking over the running of a UK based business;
- Post study: for international students who wish to work in the UK post graduation.

For each tier, applicants need to score enough points to gain entry clearance or leave to remain in the United Kingdom. Points are awarded based on objective and transparent criteria.

Under Tier 1 (General) applicants must score at least 95 points. This will include at least 75 points scored for primary attributes and, in all cases, 10 points each for English language and financial funds.

For more information refer to:

www.bia.homeoffice.gov.uk/workingintheuk/pointsbasedsystem/



Tier 2

Work permit arrangements for skilled workers with a job offer who fill gaps in United Kingdom labour force will be replaced by Tier 2 during 2008. The proposed guidance for the tier (Statement of Intent) was published in May 2008; the tier will be open for applications from 27 November.

Tier 2 requires a migrant to have a job offer from a licensed employer (sponsor). Any employer sponsoring an applicant through Tier 2 will need to apply for a license to do so prior to the introduction of the tier later in the year. Any current employer registration with the Work Permits UK will not be transferable to the new register and employers will need to make a new application in order to join the register of sponsors.

Companies wishing to make an inter-company transfer of a worker will also need to register as a Tier 2 sponsor.

To join the register, small firms will have to pay £300 and large or medium firms £1000. Additional costs will apply if the employer wishes to join more than one tier.

Only a limited number of migrants will be eligible to enter the UK under Tier 2. Applications via Tier 2 will be subject to a resident labour market test (RLMT), which involves advertising the vacancy via Jobcentre Plus or an agreed sector-specific route.

Alternatively, if the vacancy is for a role identified by the Government as being in shortage, the applicant will be exempt from earnings, qualifications and RLMT criteria.

For more information on sponsorship please refer to:

www.bia.homeoffice.gov.uk/employers/points/

The current shortage list is available from:

www.bia.homeoffice.gov.uk/sitecontent/documents/workingintheuk/shortageoccupationlist

Tier 3

Tier 3 is currently suspended.

Tier 4

Tier 4 will apply to individuals who propose to study in the UK. Under the new system, which will be rolled out from March 2009, colleges and universities who want to teach non European Economic Area (EEA) nationals must have a licence issued by the UK Border Agency. Licensed institutions can then sponsor non EEA students to come to study in the UK.

As of March 2009 the following measures will come into effect:

- All colleges and universities that want to recruit foreign students will need a sponsor licence;
- Every student will need a licensed sponsor; and
- Stricter rules to protect the UK's labour market.



Tier 5

Tier 5 will apply to individuals who wish to temporarily enter the UK for exchange purposes, as a result of international agreements or for sporting events. The proposed guidance for the tier (Statement of Intent) is expected to be published in March 2008 and the tier should be operating from November 2008.

Businesses must apply for a sponsor's licence before bringing anyone in under Tier 5.

What should you do now?

If you propose to employ non-EEA nationals in the UK then the new points based system will affect you and your business.

You should:

- Understand how the new points based system will work. Extensive information is available from the UK Border Agency web site (www.ukba.homeoffice.gov.uk/)
- Register your business as a sponsor prior to recruiting from outside the EEA. You will have to register for each tier of the system that you wish to recruit through. Details available at: www.ukba.homeoffice.gov.uk/employers/points/sponsoringmigrants/applyforlicence/gettinglicence
- Understand your obligations as a sponsor. You will, for example, be assessed on your company's compliance with immigration law, quality of record-keeping and your recruitment processes.

Michael Hall, Policy and Sector Manager, ACE
Tel: +44 (0)20 7222 6557
Email: mhall@acenet.co.uk
Web: www.acenet.co.uk

Scot Parkhurst, Policy and Operations Director, ACE
Tel: +44 (0)20 7222 6557
Email: sparkhurst@acenet.co.uk
Web: www.acenet.co.uk