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**SMITH
STONE
WALTERS**

UK Immigration Practice

INSIGHT

UK IMMIGRATION NEWS & VIEWS
FROM SMITH STONE WALTERS
SUMMER 2018

Immigration
changes are
imminent...



TIME FOR A FRESH APPROACH?

The latest Home Secretary, Sajid Javid, has only been in post for two months, yet he has already positioned himself as a moderniser, and appears keen to reveal the more humane side of a government department with a reputation for being bureaucratic and slow to adapt.

This could be viewed as an act of defiance towards Theresa May, the instigator of the migration ‘cap’. While she lasted a record six years as Home Secretary – longer than anyone else for a century – as Prime Minister, with a reduced majority in the Commons, May is not as strong and stable as she would like.

She has already had four members of her Cabinet – Michael Fallon, Priti Patel, Damian Green and the former Home Secretary Amber Rudd – step down in just six months. No wonder then that the latest incumbent of that Great Office of State has decided, for pragmatic as much as political reasons, to listen to public opinion.

Since April, Javid has talked of a ‘compliant’ rather than ‘hostile environment’; launched a compensation scheme for those caught up in the recent Windrush scandal, and has gone on record stating that the Home Office’s immigration targets are a ‘problem’ that need to be reviewed.



After six months of Tier 2 visa allocations being over-subscribed, and backed by media outcry about 1,500 doctors being denied entry to the UK in the first quarter of 2018, the time was ripe for the Home Secretary to publicly deviate from the Conservative’s manifesto promise. He spoke out after advice from the British Medical Association and elsewhere on how best to fill urgent vacancies within the NHS. And, within a day of stating his intention to take a ‘fresh approach’, a statement from the Prime Minister’s office confirmed that restrictions are being monitored, with a change appearing imminent.

FOREIGN STUDENTS WELCOME

Another group who are pushing for change are foreign students. They are also counted in the yearly immigration target, and government policy remains committed to reducing their numbers, because of fears that too many stay in this country once their study visa has expired. (Actually, the figure is as low as one per cent, according to 2017’s official statistics.)

In a recent ComRes poll, 91 per cent of British adults say they are happy for international students to remain in this country after they have completed their studies. Especially as they are a valuable source of income, bringing in almost £11 billion to the economy and creating more than 170,000 jobs.

The Home Secretary has heard from representatives from university and college groups and student bodies, who can also feel encouraged. It is hoped that by September this year, the Migration Advisory Committee will publish a report on the economic and social impact of overseas students in the UK. This should illustrate their positive effect in many areas of the UK, not just in London, and could be used to support any adjustment the government decides to make. If the Home Office can show evidence that changing policy is a sensible decision, and also in line with voters’ opinion, there is less of a chance that the move will be seen as by critics as weak or a U-turn.

If this happens, Javid’s reward - and the public benefit - will be a thriving tertiary education system and a well-staffed NHS. But what about those in his old career of financial services, and businesses in general? The migration cap continues to restrain employers’ ability to recruit anyone on a salary under £50,000, no matter what their specialist expertise.

The shortage in STEM (science, technology, engineering and maths) jobs costs British businesses £1.5 billion a year in recruitment, temporary staff, and additional training. If we fall behind other countries, we will lose out on our reputation for excellence in research and development, foreign investment and technological advances. A recent survey estimated that we will need a half a million more recruits in digital skills alone by 2020.

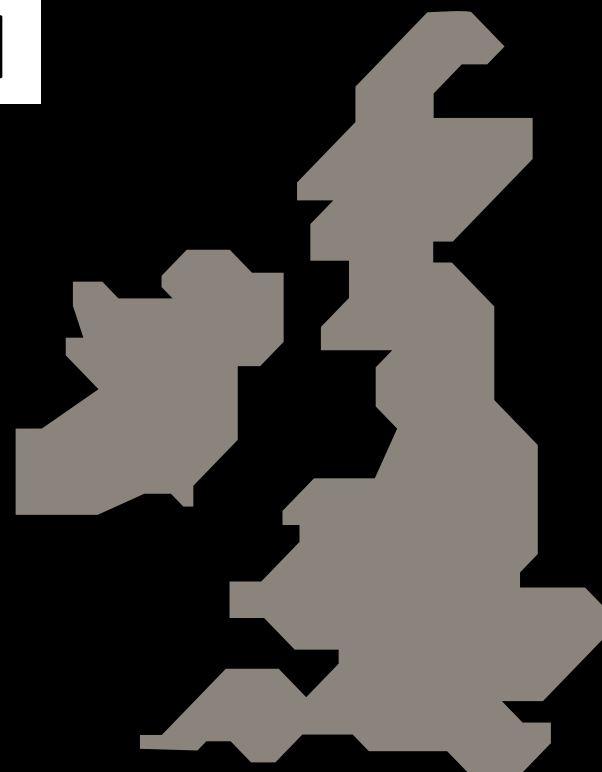
Policy director of CBI UK, Matthew Fell, believes this is ‘damaging global competitiveness’, adding, ‘A system that forces a binary choice between staffing our NHS or growing the UK economy is clearly broken. We need both.’ While we may soon have plenty of doctors, there is still a crucial shortage in the STEM sectors, with a lack of engineers, software developers and others. It may be more difficult to persuade the PM and the public to make exceptions for them.

SMITH STONE WALTERS

This edition of Insight takes a look at the latest migration statistics, improvements and developments to our services and includes an update on how to be an effective licence holder for your sponsored migrant workforce.

For regular updates on all UK immigration matters, make sure you subscribe to our free UK Immigration News Service. For more information, go to www.smithstonewalters.com/signup

IMMIGRATION IN NUMBERS



The latest Home Office Immigration Statistics provide the most up-to-date figures on people who are subject to UK immigration controls.

All data relates to the year ending March 2018 and all comparisons are with the year ending March 2017, unless stated otherwise.

This information provides a summary of immigration control for non-EEA nationals and does not include a reference to all aspects of immigration, for instance, there is no net migration figure for this quarter.

COMING TO THE UK



There were 137.9 million passenger arrivals, including returning UK residents.

This is an increase of six million compared to the previous year: a record number.

137.9M

EU SETTLEMENT



In the year ending March 2018, 141,883 documents certifying permanent residence and permanent residence cards were issued to EEA nationals and their non-EEA family members. The majority of these (88%) were issued to EU nationals.

141,883

NON-EU SETTLEMENT



71,676 people were granted permission to stay permanently: that is 25% more than in the previous year.

71,676

CITIZENSHIP



Total applications for British citizenship rose by 6% to 140,073 in the year ending March 2018 compared to the previous year.

140,073

WORK



There were 162,874 work-related visas granted in the year ending March 2018, 1% fewer than the previous year.

There were 99,229 work-sponsored visa applications by main applicants. Of these, 53,674 were for Tier 2 skilled applications, 4% fewer than the previous year (56,047).

162,874

STUDY



223,839 Tier 4 study-related visas were granted, a 7% increase on the previous year.

Over the same period, the number of university-sponsored study visa applications rose 6% to 178,612.

Three nationalities (Chinese, Indian and US) accounted for over half (53%) of these visas, with the largest number granted to Chinese nationals (88,657, or 40% of the total).

223,839

FAMILY



Family permits granted to non-EEA nationals, and visas granted to dependants of other visa holders (excluding visitors) fell by 1% to 134,789.

1% DOWN

EMPLOYERS



There are currently 29,023 organisations registered as sponsors of Tier 2 and Tier 5 migrant employees. This figure is similar as last year.

29,023



HELPING OTHERS



Our chosen charity partner for this year is the Rainbow Trust children's charity, an organisation that offers emotional and practical support for families who have a child with a life-threatening or terminal illness.

In May, colleagues Kerry and Rosie volunteered to assist the Rainbow Trust to run a corporate networking lunch event at the iconic Grand Connaught Rooms in London.

They were put to work immediately, preparing delegate badges, setting out brochures and pledge envelopes in the main function room. Once guests had arrived, they handed out badges and

directed them to the welcome drinks area. Then they ushered the guests through to lunch.

During lunch, delegates learnt about the work of the Rainbow Trust and were encouraged to pledge money by using the envelopes on their tables.

Kerry and Rosie later helped to collect the pledge envelopes and counted the proceeds – an amazing £4,600.

This will pay for a Family Support Worker's car for an entire year, or pay for six months' bereavement support for a family.

**RAINBOW
TRUST**
CHILDREN'S CHARITY

GLOBAL IMMIGRATION SERVICES

In a new advancement for 2018 and in response to client demand, Smith Stone Walters are now offering a global immigration service.

So far this year, we have successfully managed moves to China, the USA, South Korea, Australia, Germany and Ireland.

Ireland is exceptionally busy, as companies are seeking an English-speaking European headquarters in preparation for Brexit.

Our clients are enjoying the benefits of using their already trusted UK provider to manage assignments to other worldwide locations.

Director James Walters and members of the SSW UK team attended the EURA conference in Croatia in April, where we were able to forge new relationships with best-in-class immigration providers around the world, as well as fine-tune our existing network of partners. Like us, they pride themselves on delivering exceptional inbound services with excellent customer service.

We will keep you updated on the progress of this innovation and we look forward to servicing your global immigration needs in the future.

*Please contact
James.Walters@smithstonewalters.com
or for more information or call 020 8461 6600.*



WHAT OUR CLIENTS SAY ABOUT US



We pride ourselves on offering excellent customer service while we support employers in recruiting and relocating assignees and their families who travel to work in the UK. Here are just some of the words our clients have used to praise us:

'Top quality service from your team (SSW HK). Summer in the London office was responsive and helpful and Tess in Hong Kong was patient with my questions and highly effective in assisting me to secure the visa. The team was courteous and professional. Excellent work!'

JK, investment bank

'Prestina (SSW Ind) was extremely helpful.'

AA, international law firm

'A great experience with seamless service. Liezel showcased great proficiency and fervour and has always been prompt in responding to queries.'

AW, financial services

'Kathrine (SSW UK) was supportive, prudent and extremely dependable. I didn't have to worry about a thing and she took care of it all.'

CA, Accountancy and consulting

Jordan (SSW US) was extremely helpful and very responsive. I want to thank him for his work and guidance.'

EL, business school

'Paula (SSW UK) helped me with my first visa application and now, three years later, she helped me to renewal it. Her professionalism and prompt responses are amazing.'

PO, multi-national investment bank

'Antonia was extremely helpful and a pleasure to work with.'

GM, financial services

'Summer (SSW UK) is really good at her job. Really appreciated her prompt reply with enough details to make complex rules very easy to understand.'

PM, investment bank

“

EXCELLENT

QUICK

PROMPT

POSITIVE

”

DID YOU KNOW?

By the end of 2018, it is likely that decisions on all visa applications submitted outside of the UK will have been made at the UKVI offices in Sheffield.



At the moment, the Home Office's international department, based in south Yorkshire, handles every case except those that originate in the US – although this is set to change later in the year.

This change has unfortunately not been as successful as was hoped.

SSW's UK Visa specialists based in London, Hong Kong, Mumbai and New York have all reported delays during processing, with some applications taking long than the promised 15 working days to be resolved.

Furthermore, once the initial decision has been made in Sheffield, it is not always possible to receive any updates, as each visa is produced at an overseas hub, and this may not always be in the country of application. As a consequence, from the point an entry

clearance decision is made in Sheffield, it can take up to two weeks or longer for the applicant to get their passport back, by which time they no longer have a full 30 days to enter the UK.

We will continue to meticulously track cases and refer any potential issues to the Premium Team. Our regional offices provide outstanding support to assignees (and their families) who are looking to transfer to the UK from overseas.

In the first three months of 2018, we successfully supported over 300 individuals to secure visas to the UK.

As one client said: 'Having actual immigration specialists based overseas to support UK-bound employees is a priceless commodity'.

"At the moment, the Home Office's international department, based in south Yorkshire, handles every case except those that originate in the US."



OVERSUBSCRIPTION, AGAIN

After a Freedom of Information request, Smith Stone Walters has discovered that 4,973 Tier 2 visa applications were rejected during the first quarter of 2018.

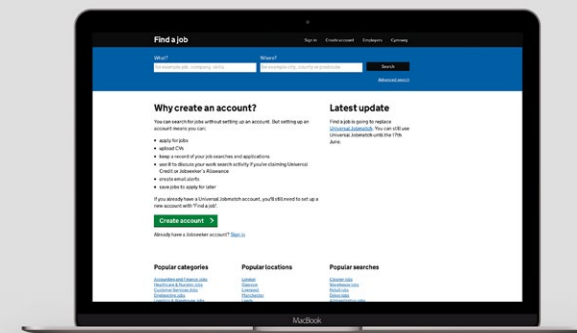
This figure includes the reported 1,600 IT professionals and engineers who were not given permission to take up posts in the UK, plus the 1,800 healthcare staff who had already accepted a job offer but could not enter the country.

It does not take into account how many applications were declined then resubmitted for a second or third time. It is hoped that immigration policy will be changed after Brexit: but will the damage to the public health and economy be done by then?

If shortage occupations were taken out of each month's allocation, there would have been 4,700 applications available for the first quarter of 2018.



NEW JOBS WEBSITE LAUNCHED



In May, the government's free recruitment website, previously called Universal Jobmatch, was replaced by Find A Job.

Before hiring Tier 2 migrants from abroad, your company must prove that it has done its best to recruit someone from this country.

The job must be advertised for 28 days. This online site is where Tier 2 sponsors must advertise vacancies in order to comply with the resident labour market test. To register, go to findajob.dwp.gov.uk

All resident labour market tests used in support of a Tier 2 application must adhere to specific guidelines. Speak to Smith Stone Walters to ensure your advertisements will comply with the Tier 2 rules.

The Tier 2 cap for skilled workers has now been oversubscribed for an unprecedented sixth month in a row. As a result, thousands of highly skilled international workers including doctors, pharmacists, IT specialists and financiers have all been denied the opportunity to take up posts within the UK.

In this edition of Focus, we explain the current quota on restricted certificates of sponsorship (RCoS), the negative impact the cap could have on your business and the options available to government to alleviate this recruitment crisis.

What is a restricted certificate of sponsorship?

While there are currently no restrictions placed on Europeans nationals moving to the UK and commencing employment with a UK employer, non-EEA nationals need to rely upon the Home Office granting an RCoS to their prospective UK employer before starting work via a Tier 2 work visa. The request for an RCoS can be made once the UK employer has completed their recruitment process, advertised for a minimum of 28 days and ensured there are no suitable settled workers available for the vacant position.

What is the Tier 2 cap?

Since 2011, the government has imposed a specific target on the number of non-EEA migrants permitted to enter the UK to work each year with an RCoS. This is commonly known as the cap. The annual number of RCoS available to employers each year is 20,700. This quota results in a fixed number of certificates being available for allocation each month. The number of certificates of sponsorship set aside for allocation in June is 2,000 and the same amount for July.

The Tier 2 (RCoS) quota affects all non-EEA nationals applying for a visa from outside the UK who will earn less than a guaranteed amount of £159,600 per year; or those

applying from within the UK and switching their visa status from the Tier 4 Partner category. Since December 2017, demand for the allocation of RCoS has outstripped supply and resulted in several thousand applications being rejected. There is no right of appeal.

How are RCoS allocated?

RCoS requests are processed in a priority order, based on a points system: shortage occupations are awarded the most points, followed by PhD-level jobs. Lastly, points are awarded based on salary. The higher the salary, the more points are awarded. With demand exceeding supply in each of the last six months, the number of refusals increases each month. In May 2018, all RCoS requests made on behalf of applicants who scored 51 points or less were rejected, unless they were PhD-level jobs or roles listed on the recognised shortage occupation list.

What is the shortage occupation list?

The shortage occupation list is an official catalogue of jobs for which there are not enough resident workers to fill vacancies. Migrants who come to the UK to fill a skilled position on the shortage occupation list are allocated enough points to be awarded a guaranteed RCoS automatically when requested. They include (but are not exclusive to) civil and electrical engineers, specialists in nuclear waste, welders, graphic designers, orchestra members, paramedics, paediatric consultants, secondary school teachers of Maths and Physics, plus nurses – but not GPs. Nursing roles, for instance, have been on the national shortage occupation list since late 2015.

Why is demand for RCoS now exceeding supply?

There are several contributory reasons for the current pressure being placed on the number of monthly requests for RCoS. However, the main cause centres on the Brexit effect, which has resulted in a lower number of EEA nationals moving to this country to take up UK roles, while a greater number of EEA nationals are leaving the UK. The reduction in available EEA labour is exemplified by figures from the Nursing and Midwifery Council (NMC), which show a significant rise in the number of EU nurses and midwives leaving their register.

Between April 2017 and March 2018, 3,962 people left – an increase of 29 per cent. Conversely, over the same period only 805 EU nurses and midwives joined the register, compared with 6,382 the year before – a drop of 87 percent.

With fewer skilled EEA nationals available for hire, more UK employers are having to look further afield to fill specialist and skilled roles within their organisations, including the NHS.

What impact does this have on employers?

Several of our clients have told us that even though they have fulfilled the resident labour market test and identified suitable candidates, who have started to make arrangements to move to the UK, they are not permitted to employ them. Even if the salary they are offering is at appropriate market rate, their RCoS application is rejected. As a result, the ‘brightest and the best’, who may not be high-wage earners but who would contribute greatly to the economy or public health, are being refused entry.

Why not abolish the cap altogether?

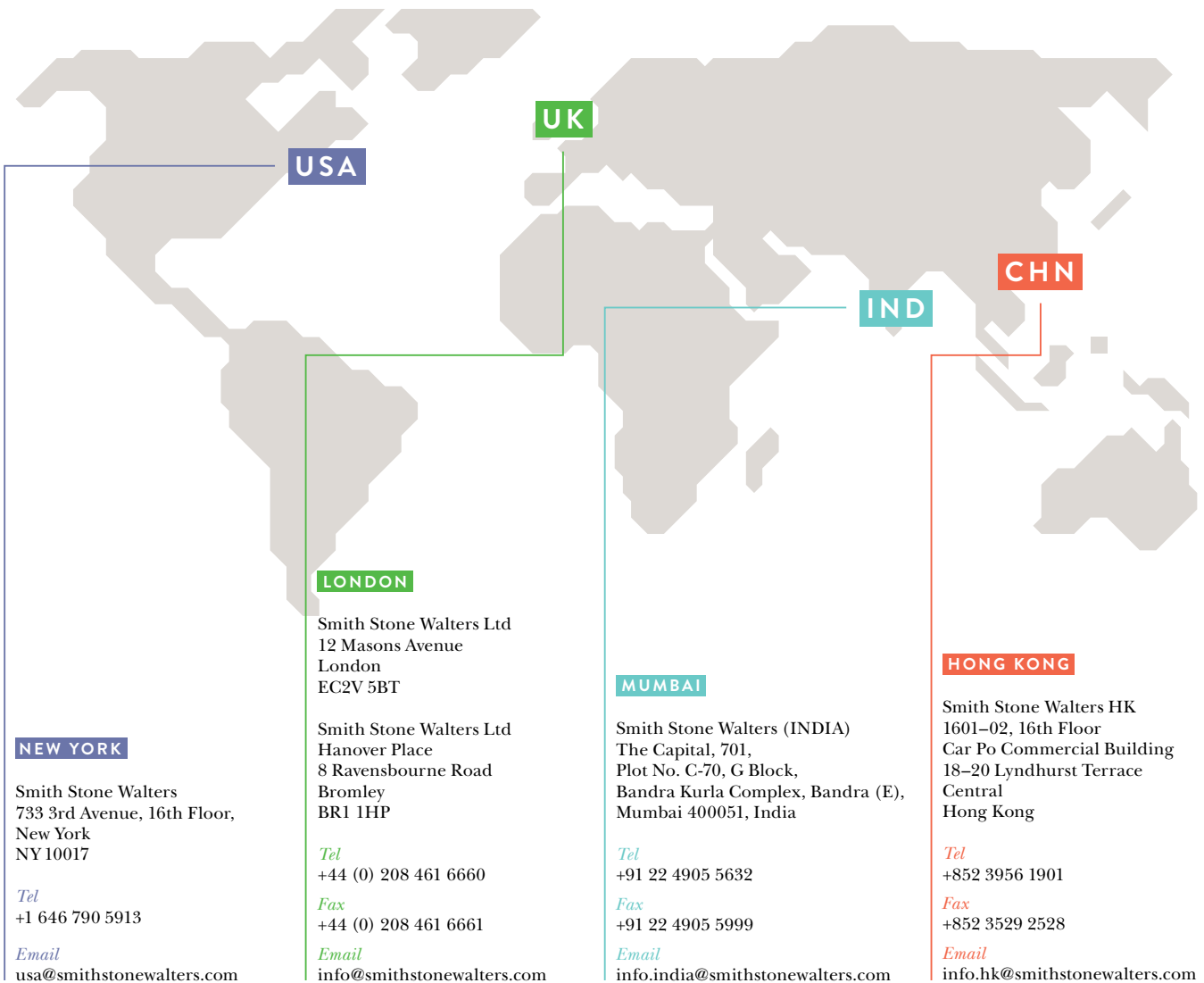
Politicians from both sides of the House, as well as business leaders, STEM experts and university chancellors have repeatedly urged the Prime Minister to make a special case for professionals from their organisations to be excluded from the cap. Some suggest that if those in the shortage occupation lists were exempt from being counted in each monthly allocation, there would be more applications to go round, and the situation could be alleviated. Others advise that now is the time to change a policy that has been in place (and is now failing) for several years.

SSW recommends...

Contact us for friendly and up-to-date immigration advice on your options by calling 0208 461 6660 or emailing us at info@smithstonewalters.com



CONTACT US



www.smithstonewalters.com

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