

**FOR IMMEDIATE RELEASE**

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**Companies urged to take action now ahead of UK immigration rules implementation**

Companies are urged to begin putting into place internal processes to enable them to deal with new UK immigration rules, based on a points based system (PBS), that come into effect incrementally from 29 February 2008. Those firms found to be non-compliant could face hefty fines, removal as a legitimate sponsor on the Border and Immigration Agency register, or prosecution - warns PricewaterhouseCoopers Legal LLP.

Julia Onslow-Cole, partner, PricewaterhouseCoopers Legal LLP, explained:

“On 29 February 2008 the first immigration route to be removed will be the current highly skilled migrant programme (HSMP), and replaced by tier 1 of the new points based system (PBS). Consequently some major advantages will be lost, including important provisions relating to holders of MBAs, which in-turn could affect employers in relation to their ability to legally hire such classified personnel. We advise firms to begin putting into place, now, procedures that ensure they remain compliant with the new rules to avoid any disruption to business.”

The new PBS uses objective criteria to qualify all non-European economic area (EEA) individuals and their eligibility to work in the UK. All companies employing such individuals are required to register as a sponsor and adhere to the new rules.

Sponsors will be required to have the following processes in place to be compliant:

- All employers must join a central sponsorship register, managed by the Border and Immigration Agency before employing a non-EEA national.
- Assess the suitability of current and prospective assignees, confirming with evidence that they meet the prescribed requirements.
- Keep accurate records of prescribed employee data.
- Report to the Home Office all changes to both the sponsor and assignee's circumstances.

Employers found to be non-compliant face penalties (under sections 15-21 of the Immigration, Asylum & Nationality Act 2006) including (but not restricted to): fines of up to £10,000 per case of non-compliance; prosecution of company directors and HR managers; and/or removal from the sponsorship register.

Julia Onslow-Cole, partner, PricewaterhouseCoopers Legal LLP, continued:

“Firms are at risk of being non-compliant if they choose to do nothing, including areas such as the legal, banking, technology and engineering professions that are increasingly reliant on employing personnel from overseas on both long and short-term contracts. A particular risk area is business visitors. There are enormous immigration and tax implications if employers get this wrong.”

The government has outlined its intention to implement a new five tiered PBS categorised as tier 1 highly skilled, tier 2 skilled workers, tier 3 low skilled workers, tier 4 students and tier 5 youth mobility and temporary workers. The implementation dates for the roll out of tiers 2–5 will be announced shortly.

**ENDS**

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### **Note to Editor:**

For more information and updates on the UK PBS visit the Home Office immigration website at:  
<http://press.homeoffice.gov.uk/press-releases/Immigration>

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