

Time is running out to join the immigration sponsorship register

Act now to ensure compliance with the new Points Based System coming into force in November 2008

The UK government has recently undertaken the largest shake up of immigration rules in the last 30 years. Key points employers need to consider are:

- Employers that do not apply for and receive a **sponsorship licence**, allowing them to recruit skilled migrants, by November 2008 will face difficulties in accessing overseas talent, and will not be able to extend existing work permits;
- Compliance with the **illegal working requirements** for all employees, regardless of whether the individuals are domestic or international employees;
- Only sponsorship applications received by UK BA by **1 October 2008** will be guaranteed to be processed in time.

Employers that do not comply with the illegal working checks or employ non-EEA migrants without following the rules face prosecution and financial penalties.

The sponsorship licence

Under the new regime companies need to sponsor non-EU workers. To be a sponsor, you need to register with the UK Border Agency (UK BA) to obtain a licence.

To qualify for a licence, organisations must complete an online application to the UK BA. Supporting documentation will be requested and this must be supplied within a ten-day timeframe. Organisations will then receive a compliance visit from the UK BA who will decide whether or not to grant the licence. In addition, organisations must comply with the 'illegal working' requirements.

The new system goes live in November and any employers that do not have a Licence by this time may find it difficult to bring in migrant workers to the UK, and will be unable to extend work permits for those already here.

Illegal working requirements

All employees must provide documentation to prove their right to work before undertaking employment, and copies must be retained by the employer.

Employers can be served with penalty notices where they have employed someone over 16 who is subject to immigration control, unless:

- That person has valid and subsisting leave to be in the UK, and that leave does not restrict them from taking the job in question; and/or
- That person is part of an immigration category where employment is also allowed.

The implications of non-compliance

If the UK BA finds that a company has employed illegal workers then penalties may be applied.

The maximum level of penalty is £10,000 per employee, and up to two years imprisonment for individuals within the company who had knowledge of the illegal working.

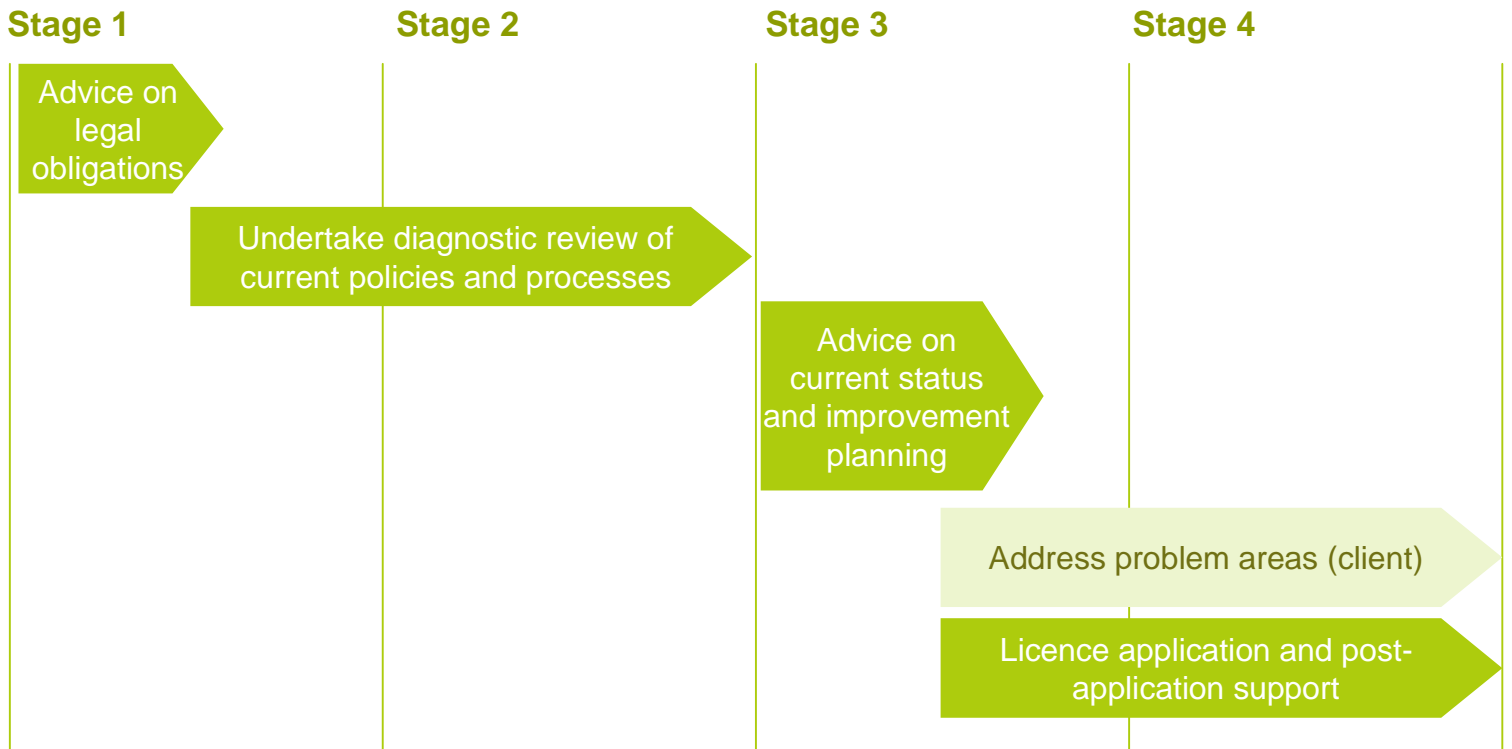
How PricewaterhouseCoopers network can help

Our immigration specialists have developed a Licence Application Support package to assist you through the transition to the new regime. We can:

- advise you of your legal obligations under the Illegal Working Legislation and the Points Based System (PBS);
- provide you with an independent view of how your HR processes and legal policies measure up against published UK BA guidance and legislation on the requirements for PBS sponsorship; and
- assist in preparing an action plan which sets out any changes you may wish to make to systems, processes and legal policies prior to application.

We can then assist with the application process.

Illustrative process for a typical project



Why use us?

We offer a complete, thorough and time efficient support package to assist clients understand their legal obligations, rapidly assess their readiness for sponsorship, identify remedial actions and process their application.

We believe this to be unique and has been developed in close consultation with the UK BA. In addition, the UK BA has indicated that evidence in a licence application of an employer having been through our process will provide them with increased confidence that the employer's systems have already been thoroughly reviewed and evaluated by an independent professional services firm. This will help them determine the level of risk and the most appropriate stage to refer a visit, either pre-licensing or post registration.

Our service provision will be led by the specialist immigration law practice within PwC Legal, supported by expertise across the PwC network, including specialists in tax and human resource services.

Contacts

Please speak to your usual PwC network contact or one of our specialist advisers on:

020 7804 7199

pbs@pwclegal.co.uk to arrange a call.

Alternatively, please contact:

Daniel Burke – daniel.burke@uk.pwc.com

Angus Sim - angus.sim@uk.pwc.com

Martin Muhleder – martin.muhleder@uk.pwc.com