

THE SKILLED WORKER ROUTE:

GUIDANCE FOR EMPLOYERS

The UK government has announced changes to the UK's future immigration system from 1 January 2021, once freedom of movement from the EU has ended.

The current Tier 2 visa will be replaced by the 'skilled worker route' within the points-based immigration system (PBS) on 1 December 2020.

Given that EU citizens and their family members coming to work in the UK from 1 January 2021 will need to apply and pay for visas under the skilled worker route (or other routes), any new starters who are EU citizens should be encouraged to come to the UK before the end of the transition period, 31 December 2020, if possible.

This guidance outlines the system as it will apply from 1 December 2020. The government has announced its intention to phase in further changes to the PBS in future to make the system more streamlined.

Skilled worker route

Applicants for the skilled worker route must meet the following mandatory criteria:

- **>** The applicant must have an offer of a job from a **licensed sponsor**.
- > The job must be at or above the **minimum skill level**: RQF3 level (A-level or equivalent qualification). Workers will not need to hold a formal qualification. It is the skill level of the job they will be doing which is important.
- > The applicant must **speak English** to an acceptable standard.

Meeting the above criteria will earn the applicant 50 points. They will need to earn a further 20 'tradeable' points through a combination of points for their salary, a job in a shortage occupation, being a new entrant to the labour market or having a relevant PhD.

In addition, applicants must also meet a financial requirement to maintain and accommodate themselves up to the end of their first month of employment, to an amount of at least £1,270. This can be certified by the employer and is considered to automatically be met for those who are applying to extend their stay in the UK where they have already held leave for at least 12 months. Applicants will also be subject to UK criminality checks.

Differences between Tier 2 and skilled worker routes

Key changes to the skilled worker route, which will be the main work route, from the Tier 2 route are:

- > The new system will **treat EU and non-EU citizens equally** (excluding Irish citizens), and therefore all EU citizens arriving to work in the UK for the first time from 1 January 2021 will need to apply for permission in advance of travel.
- > The skills threshold has been lowered to RQF3 (A-level/Higher equivalent) and as a result a wider range of roles will be sponsorable, if the mandatory points requirements and salary thresholds can be met.
- > There will be **no cap** on the number of skilled workers who can enter the UK, and the resident labour market test will be abolished.
- > There will be **no limit** on the length of time which can be spent under the Skilled Worker route and the 'cooling off' rules will no longer apply.
- > It will be **possible to switch** into the skilled worker route from Tier 5 (and its replacement, the Youth Mobility Scheme route) and other visa routes without having to leave and apply from outside the UK. However, switching will not be possible from the Visitor or Short-term study routes.
- > The length of time an applicant can qualify as a new entrant has been **extended from three to four years**. The definition has also been expanded to include those working in several post-doctoral positions.

While all applicants will still be required to meet a number of essential criteria (see section above) the points-based system introduces 'tradeable' points for salaries. This allows greater flexibility around salaries for those working in shortage occupations, the most highly qualified, and applicants that are 'new entrants' to the labour market.

What sponsors need to know

- ➤ Most employees (excluding Irish citizens) entering the UK for work from 1 January 2021 will be required to apply for a visa under the skilled worker route. Other routes such as the Global Talent route are also available but are more specialised, un-sponsored immigration routes. Visit the government website for further details.
- > The sponsorship system will **go live** and be available for sponsors to use **from 9am on** 1 December 2020.
- ➤ After this date, sponsors who have assigned a **Certificate of Sponsorship (CoS)** under the Tier 2 system and where the application for a visa has not yet been made will be required to upgrade the CoS by providing the relevant employer PAYE reference number to ensure the applicant is eligible under the skilled worker route.
- > The specific requirements on **right to work checks** will change over the course of 2021. Employers should refer to the latest <u>Home Office guidance</u>.
- > Sponsors will need to **provide an explanation** of how a PhD is relevant to the job in order to benefit from the tradeable points.

The current exemptions from the Immigration skills charge for roles with a PhD-level Standard Occupational Classification (SOC) code will continue to apply, and will not be extended to cover the wider range of roles eligible for the skilled worker route.

Sponsor licence allocations

- > Tier 2 (general) and Tier 2 (ICT) Licences will automatically be **replaced with new licences** for skilled worker and Intra-company Transfer.
- > Unrestricted Tier 2 (general) and Tier 2 (ICT) Certificates of Sponsorship (CoS) allocations will automatically be **replaced with new CoS allocations** for skilled worker and Intra-company Transfer.
- > Unassigned Restricted COS (RCOS) will automatically be replaced with new skilled worker Defined COS (DCOS).
- > RCOS requests received after the November panel will be processed on 30 November and successful applications will **automatically be converted** in to DCOS.

Guide to whether an individual meets the points required to apply for skilled worker route

Steps to take

1. Is your organisation a licenced sponsor?



If your organisation is not licenced, apply through the government website to become a sponsor.

2. Ensure you gather the following information:

- ➤ The job's <u>SOC code</u>, 'going rate', and whether it is eligible for sponsorship under the skilled worker route¹
- The proposed salary guaranteed gross basic pay only, no other pay or benefits (such as bonuses or pension) may be included²
- > Whether the job is on the shortage occupation list in the relevant UK nation
- > Details of the applicant's English language ability³
- > UKNARIC number if claiming points for a PHD
- > The applicant's age, and details of their previous immigration permissions in the UK (to determine whether they may be a new entrant)

3. Does the applicant meet the essential criteria?

The applicant must first meet all three criteria to be eligible for a skilled worker visa:

	Hold a job offer from an approved sponsor	20 points
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The job is at skill level RQF3 or above

NB. This refers to the skill level of the job, not any qualification(s) held by the individual themselves.

English language is at least level B1

Total 50 points

The applicant must also meet the financial requirement to maintain and accommodate themselves up to the end of their first month of employment.

This information can be found by referring to <u>Immigration Rules Appendix Skilled Occupations</u>. Please note that the 'going rate' salary stated in this table is based on a 39-hour week, and sponsors should pro-rata the 'going rate' accordingly to fit their own working week requirements.

^{2.} If employing a part time worker, use their actual salary as calculated on a pro-rata basis, rather than the full-time equivalent salary.

^{3.} Applicants to the Skilled Worker route must demonstrate their English language ability is at least level B1. Full information on determining English language ability can be found at Appendix English Language. This can most commonly be determined on the basis of nationality, previous qualifications conducted in English, or providing the results of an approved English language test.

Steps to take

4. Tradeable criteria: Which of these does the applicant meet?

Provided the essential criteria are met, the applicant must also score **at least 20 points** from the table below to be eligible for the skilled worker route.

You must use whichever figure is highest of either the general threshold or the 'going rate' for a particular job, taking account of any applicable percentage reductions.

For instance, if the going rate for a particular occupation is £19,000, you should use the general threshold of £25,600 (adjusted for percentage reductions if necessary). If the going rate is £33,000, this would be higher than the general thresholds, and would be the **minimum applicable salary** for that role.

Going rates for SOC listed in <u>Table 1 of Appendix Skilled Occupations</u> are based on a 39-hour week and will be pro-rated as follows:

The going rate for the occupation code stated in Table 1 of Appendix Skilled Occupations x The number of weekly working hours stated by you on the applicant's CoS ÷ 39

All applicants must earn a minimum of £20,480, whether they are part-time or a new entrant; ie the pro-rata salary threshold cannot be used instead.⁴

Select those that apply; a maximum of one in each column.

SALARY	POINTS	OTHER	POINTS
At least £20,480/80% of going rate (70% of going rate if new entrant)	0	Relevant ⁵ PhD (non-STEM)	10
At least £23,040/90% of going rate	10	Relevant STEM PhD	20
At least £25,600/ going rate	20	Job is in a shortage occupation	20
At least £20,480 for listed health/education jobs that meet the relevant national pay scale ⁶	20	Applicant is a new entrant to the labour market ⁷	20

^{4.} There is one exception to the £20,480 minimum for newly-arrived nurses and midwives awaiting full professional registration in the UK, which is unlikely to apply in a higher education context.

^{5.} The applicant must be sponsored for a role listed as eligible for PhD points in <u>Immigration Rules Appendix Skilled Occupations</u>.

^{6.} The applicant must be sponsored for a role listed in <u>Table 2 of Appendix Skilled Occupations</u>.

^{7.} The applicant must meet at least one of the following criteria: under age 26 on date of application; job offer is a postdoctoral position in SOC codes 2111, 2112, 2113, 2114, 2119, 2311; job offer is in a regulated UK profession and applicant is working towards recognised professional qualification for that profession; applicant is working towards full registration/chartered status with the relevant professional body for their role; application is for permission to stay and most recent permission was as a Tier 1 (Graduate Entrepreneur) Migrant; OR applicant's most recent permission was as a Student, that permission expired less than two years before the date of application, permission was for a UK bachelor's, master's, PhD, PGCE or PGDE, and this degree is completed (or within three months of completion) or in the case of PhD, the applicant has completed 12 months of study in the UK towards this. New entrants may be sponsored for a maximum of four years.

Examples

Included below are several worked examples showing how sponsors can apply tradeable points when sponsoring applicants. Please note, these examples are strictly for illustrative purposes.

Further information and guidance is available via the **Home Office**.

Postdoctoral Researchers/Assistants

Dr A is appointed to a research assistant role under SOC code 2119 (Natural and social science professionals) on a three-year contract at 37 hours per week. Dr A is applying from abroad and their starting salary will be £26,715.

Dr A meets the mandatory criteria to score	50 points
The going rate for SOC code 2119 at 39 hours per week is:	£33,000
Therefore, the going rate for SOC code 2119 at 37 hours per week is: $(£33,000 \div 39 \times 37 = £31,308)$	£31,308

Dr A's salary of £26,715 will be below the applicable going rate but **above** the general threshold of £25,600. Therefore, Dr A cannot automatically score 20 points for salary.

However, under the salary rules, Dr A will be a 'new entrant', as they are being appointed to a postdoctoral role within SOC code 2119. This is defined as a new entrant SOC code, and they will be given a CoS of less than four years (to match the length of the contract).

As a 'new entrant', Dr A must be paid the **higher** of either £20,480 or at least **70% of going rate**.

70% of the applicable going rate (£31,308) is: £21,916. As this is higher than £20,480, this is the minimum which must be met.

TOTAL	70 points
Therefore, Dr A's starting salary of £26,715 meets the minimum requirements and they score:	20 points

University Lecturers

Dr B is appointed to a university lecturer role under SOC code 2311 (Higher education teaching professionals) on a permanent contract at 35 hours per week. Dr B is applying from abroad and their starting salary will be £33,797.

Dr B meets the mandatory criteria to score	50 points
The going rate for SOC code 2311 at 39 hours per week is:	£40,700
Therefore, the going rate for SOC code 2311 at 35 hours per week is: $(£40,700 \div 39 \times 35 = £36,526)$	£36,526

Dr B's salary of £33,797 will be above the general threshold of £25,600 but **below** the applicable going rate of £36,526. Therefore, Dr B cannot automatically score 20 points for salary.

Whilst SOC code 2311 is a new entrant code, Dr B cannot rely on the lower new entrant salary concessions because they will be issued a skilled worker visa of more than four years (which automatically overrides any new entrant concession).

However, Dr B holds a PhD in a STEM subject relevant to the job, meaning Dr B can 'trade points' for salary. In doing this, Dr B must be paid the **higher** of either £20,480 or at least **80% of going rate**.

80% of the applicable going rate (£36,526) is: **£29,220**. As this is higher than £20,480, this is the minimum which must be met.

Therefore, Dr B's starting salary of £33,797 meets the minimum requirements and they score:

20 points

If Dr B gained their PhD abroad, this will need to be confirmed as an equivalent standard to a UK PhD by NARIC.

TOTAL 70 points

Lab Technicians (1)

Ms C is appointed to a laboratory technician role under SOC code 3111 (Laboratory technicians) on a permanent contract at 36 hours per week. Ms C is switching from a Tier 5 Youth Mobility visa into the Skilled Worker route and their starting salary will be £23,143.

Ms C meets the mandatory criteria to score	50 points
The going rate for SOC code 3111 at 39 hours per week is:	£18,200
Therefore, the going rate for SOC code 2311 at 36 hours per week is: $(£18,200 \div 39 \times 36 = £16,800)$	£16,800

Ms C's salary of £23,143 will be above the applicable going rate but **below** the general threshold of £25,600. Therefore, Ms C cannot automatically score 20 points for salary.

Ms C does not have a PhD, meet any of the criteria for a new entrant, and SOC code 3111 is not listed as a Shortage Occupation.

This means she is not eligible for sponsorship.

Therefore, Ms C's starting salary of £23,143 does not meet the minimum requirements and she scores:

O points

TOTAL 50 points

Lab Technicians (2)

The same university therefore appoints Dr D to the same laboratory technician role under SOC code 3111 (Laboratory technicians) on a permanent contract at 36 hours per week. Dr D is currently based abroad and their starting salary will also be £23,143.

Dr D meets the mandatory criteria to score	50 points
The going rate for SOC code 3111 at 39 hours per week is:	£18,200
Therefore, the going rate for SOC code 2311 at 36 hours per week is: $(£18,200 \div 39 \times 36 = £16,800)$	£16,800

Dr D's salary of £23,143 will be above the applicable going rate but **below** the general threshold of £25,600. Therefore, Dr D cannot automatically score 20 points for salary.

However, Dr D has a relevant PhD in a STEM subject, meaning they can 'trade points' for salary. In doing this, Dr D must be paid the **higher** of either £20,480 or 80% of the going rate.

80% of the applicable going rate (£16,800) is £13,440. Therefore, £20,480 is the minimum which must be met.

Therefore, Dr D's starting salary of £23,143 meets the minimum requirements and they score:	20 points
TOTAL	70 points

Web designer

Mr E is appointed to a web designer role under SOC code 2137 (Web design and development professional) on a permanent contract at 35 hours per week. Mr E is currently based abroad and their starting salary will be £24,500.

Mr E meets the mandatory criteria to score	50 points
The going rate for SOC code 2137 at 39 hours per week is:	£26,000
Therefore, the going rate for SOC code 2137 at 35 hours per week is: $(£26,000 \div 39 \times 35 = £23,333)$	£23,333

Mr E's salary of £24,500 will be above the applicable going rate but **below** the general threshold of £25,600. Therefore, he cannot automatically score 20 points for salary.

However, any role defined by SOC code 2137 is a shortage occupation, meaning Mr E can 'trade points' for salary and in doing so must be paid the **higher** of either £20,480 or at least 80% of the going rate.

80% of the applicable going rate is £18,667. Therefore, **£20,480** is the minimum which must be met.

Therefore, Mr E's starting salary of £24,500 meets the minimum requirements and he scores: 20 points

TOTAL 70 points

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