

“It is great that NCF are providing guidance to the sector on how to navigate the immigration system – we want it to be open and accessible to all those eligible” Professor Brian Bell, Chair of the Migration Advisory Committee (MAC)

NCF Briefing: Recruiting from the Shortage Occupation List

On 1 January 2021, the UK introduced a [points-based immigration system](#). Under this new system, most non-UK resident workers must apply for a visa to come to the UK to work. The primary route is through the skilled worker route which features two key visas. The first is the new [Skilled Worker visa](#). This visa has replaced the Tier 2 (General) visa. The second type of visa on the skilled worker route is the [Health and Care Worker visa](#). The Health and Care Worker visa allows medical professionals to come to or stay in the UK to do an eligible job with the NHS, an NHS supplier or in adult social care.

The Skilled Worker route has a [shortage occupation list](#). This list features roles deemed by the UK Government to be in short supply within the UK resident labour market. Roles which feature on the Shortage Occupation List give individuals an advantage in obtaining a Skilled Worker visa. If a role is on the shortage occupation list and eligible for the Health and Care visa, the worker can benefit from a fast-tracked, reduced-fee visa. Both visas on the skilled worker route have associated costs payable by the applicant.

As an employer there are some key things that you will need to do to be able to hire workers from the shortage occupation list. They are:

- Become a licensed Sponsor
- Check that your job is suitable
- Sponsor a worker
- Pay the regular fees

This document provides information about how employers can recruit using the shortage occupation list and explains how the process works, what employers have to do, how much it costs and how long it will take.

Section 1 – Becoming a Licensed Sponsor

To recruit from outside of the UK labour market, employers have to become a **licensed sponsor**. This includes when recruiting citizens of the EU, Iceland, Liechtenstein, Norway and Switzerland who arrived in the UK after 31 December 2020.

You will not need a licence to sponsor certain groups, for example:

- Irish citizens
- those with settled or pre-settled status under the EU Settlement Scheme
- those with indefinite leave to remain in the UK

Before applying, you should check that the people you want to hire will meet the requirements for coming to the UK to work.

How to become a Licensed Sponsor?

To become a sponsor, you will need to:

1. Check your business is eligible
2. Choose the type of skilled worker license you want to apply for
3. Decide who will manage the sponsorship within the business
4. Apply online and pay a fee

Step 1: Check your business is [eligible](#)

To get a licence, you cannot have unspent criminal convictions for immigration offences or certain other crimes, such as fraud or money laundering. You cannot have had your sponsor license revoked in the last 12 months.

Step 2: Check that your job is suitable

You can sponsor a worker if the job that they are going to do has a suitable rate of pay and skill level, or meets the other criteria needed for their visa using the skilled worker route. To be eligible for a visa from the skilled worker route (Skilled Worker Visa or Health and Care Worker visa), every applicant must score **at least 70 points** – covering attributes such as skills, language and salary requirements. **50 of these points** must be from the **mandatory criteria**:

1. Job Offer – from a home office approved sponsor (20 points)
2. Skill level – RQF3 (A-level equivalent) and above (20 points)
3. English Requirements – speak English at the intermediate level at B1 (10 points)

Applicants need to obtain **20 tradeable points** from one entry from each of the **salary** or the **other** categories.

Salary - Applicants must earn more than the lower limit of £20,480 in order to be eligible to trade points

- 80% of relevant salary – 0 points
- 90% of relevant salary – 10 points
- 100% of relevant salary – 20 points

[GOV.UK](#) has the appropriate salary for each eligible occupation.

Other

- Relevant PhD to the job – 10 points
- Relevant STEM PhD to the job – 20 points
- Job in a shortage occupation – 20 points

Check that your job is suitable – Shortage Occupation List

Hiring an employee from the shortage occupation list (SOL) falls under the other tradeable point's category. A total of **20 points** are allocated for a job being in a shortage occupation. An occupation on the SOL lowers the salary threshold employers must meet by 20 per cent.

A list of all of the jobs on the shortage occupation list is available [here](#). This list features the shortage occupation code (SOC), the area where the job is in shortage and the annual salary (80% going rate). Please note that any salary **must be at least £20,480** - or more if the job's 'going rate' is higher for an applicant to be eligible to trade points.

Some of the relevant social care jobs on the shortage occupation list are:

Occupation code	Job types included on the shortage occupations list	Areas of the UK where there is a shortage	Annual salary (80% of going rate)	Minimum Salary Threshold for Shortage Occupation List
1242*	Residential, day and domiciliary care managers and proprietors – all jobs	England, Scotland, Wales, Northern Ireland	80% of going rate: £21,360 (£10.53 per hour)	£20,480
6146*	Senior care workers – all jobs	England, Scotland, Wales, Northern Ireland	80% of going rate: £13,520 (£6.67 per hour**)	£20,480

These roles feature as eligible SOL roles for **both the Skilled Worker visa and the Health and Care Worker visa.*

*** 80% of the going rate for this role is below the salary threshold and also below the minimum wage threshold for all but those age 18 and under.*

For jobs that fall under occupation code **1242**, currently, 80% of the going rate for the jobs is higher than the minimum salary threshold for the SOL. This means that any job you wish to advertise must be at least **£21,260 p.a.** For any senior care workers jobs (occupation code **6146**) that you advertise, as 80% of the annual salary is below the minimum salary for the shortage occupation list, the minimum salary payable to an individual you are looking to hire must be at least **£20,480 p.a** (the minimum salary threshold for SOL).

Once you have confirmed that your business is eligible to become a sponsor and your job is suitable and the job you will advertise meets the annual salary threshold, you will have to choose the license that you want to apply for.

Step 3: Choose the type of skilled worker license you want to apply for

The type of skilled worker license you need will depend on whether you are sponsoring a job applicant for general purposes, or for the purpose of an intra-company transfer ICT (If your organisation is planning to transfer workers to a UK branch). You can apply for a licence covering either or both.

Step 4: Decide who will manage the sponsorship within the business

After choosing the license type, within your business, you will need to appoint people to manage the sponsorship process. The main tool that they will use is the sponsorship management system (SMS).

You need to appoint:

- **An Authorising officer** - a senior and competent person responsible for the actions of staff and representatives who use the SMS
- **A Key Contact** - your main point of contact with UK Visas and Immigration (UKVI)

- **A Level 1 user** - responsible for all day-to-day management of your licence using the SMS

These roles can be filled by the same person or different people. Please note that your staff will be checked to make sure that they are suitable for these roles. The suitability check criteria are available [here](#).

Step 5: Apply online and pay a fee

After considering the steps above, it is now time to [apply online](#) and pay a fee. There is an online application form that takes around 20 to 30 minutes to complete. There are also varying fees associated with becoming a sponsor. These fees depend on the type of license you are applying for and the size of your business.

- To apply for a worker sponsor license **small or charitable sponsors** have to pay a fee of **£536**
- To apply for a worker sponsor license **medium or large sponsors** have to pay a fee of **£1,476**

You're usually a small business if:

- (1) your annual turnover is £10.2 million or less
- (2) you have 50 employees or fewer

These fees are current of July 2021 and they may be subject to change. Please check [GOV.UK](#) for the latest fee information.

How long does it take?

The standard processing time for a sponsor license is usually eight weeks and starts when your application is received. UKVI may need to visit your business. You may be able to pay £500 to get a decision within 10 working days. You'll be told if you can fast-track your application after you apply.

Successful Applications

If your application is successful, you will be given a [license rating](#).

- Your license will be valid for 4 years.
- If you do not meet the [responsibilities of your license](#), you may lose your license.
- You will be able to issue [certificates of sponsorship](#) if you have suitable jobs for sponsorship.

Please note that there is also a premium customer service scheme for employers sponsoring foreign workers. The [GOV.UK website](#) explains the benefits of the scheme, what it costs, who is eligible and how to apply.

Section 2 – Sponsoring Workers

In addition to the licence application, when sponsoring a worker through the skilled worker route, various other fees will have to be paid. **For each worker** you assign a certificate of sponsorship to through the skilled worker route, you will have to pay a cost to [assign the certificate of sponsorship](#) and an [immigration skills charge](#).

Certificate of sponsorship (CoS)

You must assign a certificate of sponsorship to each foreign worker you employ. This is an electronic record, not a physical document. Each certificate has its own number which a worker can use to apply for a visa. Worker Licenses cost **£199 per worker**.

When applying for a sponsor license you will be asked to estimate the number of undefined Certificates you may want to assign in your first year. You must justify this request and further information may be required before a decision is made. These certificates of sponsor will be added to your SMS account. In the first year, you will have 12 months from the date your allocation request was granted to use them (also known as a CoS year). In subsequent years, 12 months from the date an allocation renewal request is granted.

Your allocation may be reduced by the home office or you can increase your allocation during the CoS year. If you would like to increase your allocation you will have to give reasons and you may be asked for evidence. Any unused CoS will be removed from your SMS account – they cannot be carried over to the next CoS year.

[Section 3 of the Sponsor a Worker Guidance](#) provides information about assigning certificates of sponsorship and the details required on each CoS you assign.

Immigration Skills Charge

You will also need to pay an immigration skills charge when sponsoring both EU and non-EU migrant workers. You must pay the immigration skills charge if the worker is applying for a visa from i) outside the UK to work in the UK for 6 months or more or ii) inside the UK for any length of time.

If you are a **small or charitable sponsor**

- for the **first 12 months** the fee is **£364**.
- **Each additional 6 months** incurs a further fee of **£182**.

If you are a **medium or large sponsor**

- for the **first 12 months** the fee is **£1000**.
- **Each additional 6 months** incurs a further fee of **£500**.

The immigration skills charge is **payable each time you assign a CoS** to a worker on the skilled worker route.

The following table summarises the key fees payable when sponsoring a worker through the shortage occupation list on the Skilled worker route.

Fee Type	Small or Charitable Sponsor	Medium or Large Sponsor
Worker Sponsor License valid for 4 years	£536	£1,476
Certificate of sponsorship	£199/worker	£199/worker
Immigration Skills Charge for the first 12 months	£364/worker	£1000/worker
Immigration Skills Charge each additional 6 months	£182/worker	£500/worker

Please note that these fees are payable by the employer.

Using the Certificate of Sponsor in an Immigration Application

Once you have assigned a valid CoS to a worker, and you have paid any Immigration Skills Charge, the worker can use it to make an application for entry clearance, permission to enter or permission to stay. The worker must use it in an application for entry clearance or permission no later than 3 months after the date you assigned it. If the worker does not use the CoS within this 3-month period to make an application, it will expire and will show as 'expired' in your SMS account. If the worker still wishes to make an application, you will need to assign them a new CoS.

When a CoS you have assigned has been used to support an application, it will show in your SMS account as 'used'. This means it cannot be used again in another application.

If a worker's application is refused and they wish to re-apply, you must assign a new CoS to them before they make a new application. If a worker's application is rejected or withdrawn (but not refused), the original CoS can still be used by the same individual as long as it has not expired.

There is further information available about the different processes and corresponding fees for workers who apply for the [Skilled Worker visa](#) or the [Health and Care Worker visa](#).

Section 3 – Employers Responsibilities'

There are a whole host of responsibilities for employers who sponsor workers. These relate to the suitability of the workers, suitability of the job, monitoring requirements and information related to reporting changes to the business. Find out more about these responsibilities [here](#).

Section 4 - Barriers of the scheme

Fees

There are considerable fees for all organisations that become sponsors. When hiring workers on the shortage occupation list, charitable and small organisations will have to contend with the numerous fees that they will have to pay. They will have to pay the initial sponsor license which is valid for 4 years. For each worker, they will have to pay for a certificate of sponsorship and a regular immigration skills charge.

The potential fees for the **first 12 months** as a sponsor, depending on sponsor size:

	Small or Charitable Sponsor	Medium or Large Sponsor
Fees for hiring your first worker	£1099	£2675
Fees for each additional worker	£563	£1199

Managing the Sponsorship

Another barrier that all organisations will come across is choosing who to assign the 3 roles to for the individual(s) who will manage the sponsorship within the business. For smaller organisations, this may prove difficult as it could lead to great increases in employees' workloads.

Navigating all the complexity of the system, including all required administration

Given that this explanatory note runs to six pages, it is clear that seeking to use recruitment via the SOL presents significant challenges to employers, especially SME social care employers, in terms of navigating the complexity of the system.