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flash Alert

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United Kingdom – Updates on 6 April Changes to Immigration Rules

by Punam Birly, Paul Jones, and David Brannan, KPMG LLP, London (KPMG LLP in the United Kingdom is a KPMG International member firm)

On 6 April 2015, a variety of changes to the U.K. immigration rules came into force that affect the NHS surcharge, the Tier 2 category, the Tier 1 categories, and new visa application fees.

Additionally new rules for visitors to the U.K. are coming into force on 24 April 2015, and the system of issuing Biometric Residence Permits (BRP) following applications from outside the U.K. is being rolled out.

Why This Matters

Overall the changes introduce additional requirements and/or additional costs for certain migrants coming into the U.K. to work and live. These changes can have a significant practical and financial impact upon businesses and individuals entering and leaving the United Kingdom. However, the changes to the new visitor rules should help streamline and simplify the process and offer more flexibility for those individuals entering the U.K. under this category.

Immigration and global mobility professionals, and employees coming to the U.K. to live and work, should be aware of these changes as they will affect current and future U.K. applications and even visits to the U.K. that do not require a visa.

This *Flash Alert* provides a brief summary of key elements of each of the changes mentioned above.

NHS Surcharge – In Force Since 6 April 2015

As we reported in our [Flash Alert 2015-046](#) (26 March 2015), the NHS Surcharge of £200 per year for most types of U.K. visa application came into force on 6 April 2015.¹

Applicants must now go through an online registration and payment process (even if they are exempt from payment) as part of their application. Failure to do so in advance will delay processing of applications.

Changes to Tier 2 Category – In Force Since 6 April 2015

Minor changes were made to the Tier 2 categories on 6 April 2015.² The three key ones are:

- increases to the minimum salary thresholds for different visa types and different types of roles;
- a new requirement to use online application forms for almost all extension applications;
- the possibility of obtaining a short-term Tier 2 visa (up to three months) during the one-year cooling-off period following the end of a role in the U.K. on a Tier 2 visa.

Employers should determine that any new Tier 2 applications – including those for which the resident labour market test has already commenced – comply with the new salary requirements.

Changes to Tier 1 Categories – In Force Since 6 April 2015

Changes have been made to all the Tier 1 categories.³

Under new rules, applicants for Tier 1 (Investor) visas are required to open a U.K. bank account before making their initial application. The rules around maintaining the investment have also been amended to correct an unintended requirement for investors to top-up their investment if they sold part of their portfolio at a loss.

The Tier 1 (Entrepreneur) rules have been further tightened. Applicants relying on their own funds now need to have held these for 90 days or provide specified evidence of the source of funds. There are also additional requirements for “indefinite leave to remain” applications that will require careful compliance by current and future visa holders in this category.

To fit in with the NHS Surcharge, Tier 1 (Exceptional Talent) visas can now be requested for between one and five years in order to avoid unnecessary excess costs.

Finally, as reported in our [Flash Alert 2015-029](#) (25 February 2015), the Tier 1 (General) category is now closed to extension applications.

New Visa Application Fees – In Force Since 6 April 2015

New visa application fees have now come into force, increasing the cost of most types of application.⁴

Visitor Rules – In Force from 24 April 2015

The commencement date of new visitor rules, which we reported on in our [Flash Alert 2015-029](#) (25 February 2015), is now confirmed as 24 April 2015.⁵ These comprise a new “Appendix V” to the immigration rules that will comprehensively cover visits to the U.K. for both visa and non-visa nationals. The objective is to simplify the system and make it more flexible. The many different visitor categories are being reduced to the following four categories:

1. visitor (standard);
2. visitor for marriage or civil partnership;
3. visitor for permitted paid engagements;
4. transit visitor.

The visitor (standard) category consolidates a variety of specific categories that currently exist.

Those entering under the visitor (standard) route will be permitted to carry out activities that general or business visitors currently can, but in addition, the following activities are being added:

- Allowing visitors to carry out incidental unpaid volunteering for up to 30 days at a U.K.-registered charity.

- Allowing overseas trainers to deliver training to U.K.-based employees of a multinational company, where the training is part of a contract to deliver global training to the international corporate group.
- Allowing U.K.-based organizations that are not corporate entities, to provide training to overseas visitors on work practices and techniques that are needed for their employment overseas, where this is not readily available in their home country.
- Expanding the existing provision to allow overseas lawyers to advise a U.K. client on international transactions and litigation, provided they remain paid and employed overseas.

The student visitor and parent-of-child-at-school categories are being moved out of the visitor rules completely to more appropriate sections of the immigration rules.

Biometric Residence Permits (BRPs) for Entry Clearance Applications

We now have more details of the timing of issuing BRPs following applications for entry clearance to the U.K. from outside the U.K. (as reported in our [Flash Alert 2015-029](#) (25 February 2015)).⁶ On the grant of entry clearance, an applicant will be issued a short-term visa valid for 30 days and a decision letter setting out the condition of the leave granted and BRP collection process. Once in the U.K., applicants need to attend a pre-selected post office within 10 days to collect their BRP. Under the old procedures, the long-term visa is only issued as a vignette in the passport.

It should be noted that the system was implemented for applications from Pakistan on 18 March 2015; 31 countries are being added on 15 April 2015; with a further 35 on 31 May 2015; and the rest of the world on 31 July 2015.

KPMG Note

While none of these changes are entirely unexpected, the changes to Tier 1 (Investor) and Tier 1 (Entrepreneur) rules do reflect a continuing tightening of the requirements for individuals obtaining visas without employer sponsorship. The changes to Tier 2 and for visitors should increase flexibility. However, new salary thresholds, visa fees, and the NHS surcharge all potentially add up to higher costs for employers of migrants in the United Kingdom.

The effect of the roll-out of BRPs is yet to be felt. KPMG LLP (U.K.) is currently looking at ways to assist applicants with the collection of these documents once they reach the U.K. in order to reduce the administrative burden entailed by the process.

Footnotes:

1 For more information, see: <https://www.gov.uk/government/news/uk-introduces-health-surcharge> and <https://www.gov.uk/government/news/uk-announces-health-surcharge>.

2 For more information, see: <https://www.gov.uk/government/publications/statement-of-changes-to-the-immigration-rules-hc1025-26-february-2015>.

3 For more information, see:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/407476/HC_1025_Immigration_Rules.pdf.

Footnotes (cont'd):

4 Details of the new fees can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/419449/fees_table_for_website_2015_03_30.pdf.

5 For further details, see:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/407476/HC_1025_Immigration_Rules.pdf.

6 Details of the timetable and process are at: <https://www.gov.uk/government/publications/biometric-residence-permits-overseas-applicant-and-sponsor-information>.

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For additional information or assistance, please contact your usual KPMG GMS or People Services professional or one of the following professionals with the KPMG International member firm in the United Kingdom:

Punam Birly (tel. +44 (0) 20 7694 4950; e-mail: Punam.Birly@kpmg.co.uk)

Paul Jones (tel. +44 (0) 20 7311 1475; e-mail: Paul.Jones2@kpmg.co.uk)

David Brannan (tel. +44 (0) 20 7311 2131; e-mail: david.brannan@kpmg.co.uk)

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