



# GMS Flash Alert

## Immigration Edition

2019-163 | October 25, 2019



## United Kingdom - Expansion of Shortage Occupation List for Immigration Purposes

The U.K. government recently published changes to the Immigration Rules, which includes a “Statement of Changes” updating the Shortage Occupation List (“SOL”) that businesses can rely on to bring traditionally more “niche” non-European Economic Area (EEA) migrants to the U.K. under an employer-sponsored Tier 2 visa.<sup>1</sup> This follows the recommendations set out by the Migration Advisory Committee (“MAC”) in its recent report<sup>2</sup>.

The SOL has been expanded significantly and covers a wider range of occupations in the health, technology, and engineering fields than it had done previously to reflect new and further roles in the current and future labour market.

---

### WHY THIS MATTERS

The expansion of the SOL is a welcome move by the U.K. government as it means that it will now cover around 9 percent of jobs in the U.K. labour market, compared to only 1 percent previously. This recognises the increasing difficulty in filling these roles due to a buoyant national labour market, and should assist organisations in employing non-EEA nationals more easily.

However, the MAC makes clear that its recommendations only apply under the current immigration system, while European Union (EU) free movement continues. It remains to be seen how the MAC will position the SOL under the new immigration system which is expected to be phased in after a Brexit transition period from January 2021.

---

### Advantages of Being Able to Utilise Positions Included on SOL

- There is no need to conduct a Resident Labour Market Test (“RLMT”), which, in brief, consists of having to advertise a vacancy to the U.K. labour market for 28 days in two suitable locations according to a prescribed list of requirements.

© 2019 KPMG LLP, a U.K. limited liability partnership, and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 530159

2019-163 | October 25, 2019

- In order for an RLMT exemption to apply for a job offer in a shortage occupation, the job role, at the time the Certificate of Sponsorship (“CoS”) was assigned to the migrant, must have appeared on the SOL and the migrant’s contracted working hours must be at least 30 hours per week.
- Employers supporting Tier 4 Student dependants switching into the Tier 2 (General) category or new hire migrants will still be required to submit a Restricted Certificate of Sponsorship (“RCoS”), but employers will be exempt from carrying out the RLMT if the role is on the SOL.
- The only role that exceptionally requires an RLMT even though it is included on the SOL is occupation code 2231 - Nurses. Employers will still need to confirm the results of the RLMT on the CoS.
- Exemption from the minimum income threshold for settlement (also called “indefinite leave to remain”), usually after five years of lawful continuous residence in the United Kingdom.
  - Migrants who are employed in a SOL role will not have to meet the minimum income threshold when they are applying for settlement.
  - This also applied for those who were employed in a job that appeared on the SOL list during any time they were being sponsored to do that job during the last five years.
- Lower visa fees.
  - As there is a shortage of workers in the particular occupations covered by the SOL, the U.K. government has accepted that they should attract reduced visa fees.
- Priority allocation of places from the monthly Tier 2 (General) capped pool. Very briefly, currently the Tier 2 (General) employer-sponsored visa category is capped at 20,700 places annually, with a somewhat unevenly distributed number available each month. Points are allocated for different aspects of the application, such as salary. Once the cap has been reached, those applications with the lowest overall points will be rejected.
  - If the monthly Tier 2 monthly cap is reached, roles stated on the SOL will be given priority allocation as their importance to the U.K. economy is recognised.

## Some New Roles Now Appearing on SOL<sup>3</sup>

- Digital and IT occupations:
  - All IT business analysts, architects, and systems designer roles SOC code 2135;
  - All Programme and software development roles SOC code 2136;
  - All web design and development professional roles SOC code 2137;
  - All Information technology and communications professionals not elsewhere classified SOC code 2139.
- Business, finance, and legal occupations:
  - Bio-informaticians and informaticians within actuaries, economists, and statisticians SOC code 2425.
- Engineering occupations:
  - All civil engineer roles SOC code 2121;

- All mechanical engineer roles SOC code 2122;
  - All electrical engineer roles SOC code 2123;
  - All electronics engineer roles SOC code 2124;
  - All design and development engineer roles SOC code 2126;
  - All production and process engineer roles SOC code 2127;
  - All engineering professional roles not classified elsewhere SOC code 2129;
  - All quality control and planning engineer roles SOC code 2461.
- Science professionals:
    - All biological scientists and biochemists roles SOC code 2112;
    - Physical scientists – certain roles in construction, oil, and gas SOC code 2113.

---

## KPMG NOTE

Generally speaking, employers across the U.K. economy, and especially in those sectors where the SOL has been expanded, have found that there is growing international competition for talent, which means that there is fierce competition for skilled individuals. The continued uncertainty in relation to Brexit is adding another layer of complexity to recruitment and access to the brightest and best individuals across the globe.

The expansion of the SOL recognises these challenges and just may make it a little easier for employers to successfully navigate the current U.K. immigration system. They will be able to bring employees to the U.K. which can help to stabilise and grow their businesses and provide more certainty than they can currently rely on.

---

## FOOTNOTES:

1 For the full Statement of Changes to the Immigration Rules, click [here](#).

2 For the "Migration Advisory Committee Recommends Adding to Shortage Occupations List," click [here](#). For prior coverage of MAC, see GMS [Flash Alert 2018-166](#), 20 December 2018.

3 For the Home Office's "Immigration Rules Appendix K: Shortage Occupation List," click [here](#). (Table 1 for jobs which appear on the U.K. SOL).

\* \* \* \*

## Contact us

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

The KPMG Legal Services – Immigration Team has a wealth of experience in transactional, advisory, and compliance assurance services. We will be able to advise your business in relation to practical considerations in light of the above changes, as well as what this means for your long-term recruitment and compliance strategies.



**Punam Birly**

Tel. + 44 (0) 20 7694 4950  
Punam.Birly@kpmg.co.uk



**Denise Osterwald**

Tel. +44 (0) 20 7694 3481  
Denise.Osterwald@kpmg.co.uk

*\* Please note the KPMG International member firm in the United States does not provide immigration or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.*

**The information contained in this newsletter was submitted by the KPMG International member firm in the United Kingdom.**

© 2019 KPMG LLP, a U.K. limited liability partnership, and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity. All rights reserved.

[www.kpmg.com](http://www.kpmg.com)

[kpmg.com/socialmedia](http://kpmg.com/socialmedia)



© 2019 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 530159

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

The KPMG logo and name are trademarks of KPMG International. KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever. The information contained in herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

Flash Alert is a GMS publication of KPMG LLP's Washington National Tax practice. To view this publication or recent prior issues online, please click [here](#). To learn more about our GMS practice, please visit us on the Internet: click [here](#) or go to <http://www.kpmg.com>.