

GMS Flash Alert

Immigration Edition

2023-243 | December 14, 2023



United Kingdom - Restrictive Changes Announced to Reduce Net Migration

On 4 December 2023, the U.K. Home Secretary announced a five-point plan to reduce net migration to the United Kingdom. One of the key drivers for this is the intention to reduce net migration levels (which were at a record level this past year). The announcement is also driven by the government's prioritisation of the plan to increase the domestic workforce through its "Back to Work Plan." Home Secretary James Cleverly stated: "My plan will deliver the biggest ever reduction in net migration and will mean around 300,000 people who came to the UK last year would not have been able to do so. I am taking decisive action to halt the drastic rise in our work visa routes and crack down on those who seek to take advantage of our hospitality."

The measures which are due to take effect in Spring 2024 include for example: an increase in the minimum general salary for occupations under the Skilled Worker route; eliminating the ability for Health and Social Care Visa Workers to bring dependants to the U.K.; removing the salary discount for occupations on the Shortage Occupation List; and increasing the financial requirements for those applying for family visas.

WHY THIS MATTERS

For employers that employ and recruit foreign nationals, the measures will need to be carefully reviewed to assess the impact on firmwide mobility and talent programmes. The increased financial costs will need to be reviewed against recruitment and retention policies to strike a balance between managing labour shortages, whilst formulating alternative strategies to migration such as increased investment in training and upskilling.

Further Details

The upcoming changes as incorporated into the announcement include the following:

Skilled worker visa minimum salary increase

- o The minimum salary will increase from £26,200 to £38,700, which is an increase of nearly 50 percent.
- Those coming on the Health and Social Care visa will be exempted from the increase to the salary threshold for Skilled Worker visas.

Removal of discount for occupations on Shortage Occupation List

- The government will be reforming the way individuals working in short-staffed sectors can apply to come to the United Kingdom.
- The U.K. government has adopted the Migration Advisory Committee's recommendation to no longer allow employers to benefit from a 20-percent discount to the minimum salary threshold for occupations on the Shortage Occupation List.

Health and Social Care visas will not be able to bring dependants

- Although exempt from the above increase in minimum salary levels, Health and Social Care Visa workers will
 no longer be able to bring dependants to the United Kingdom.
- Care firms that want to sponsor people for visa applications will need to be regulated by the Care Quality Commission.

Increased financial requirement for family applications

- U.K. nationals (and those with U.K. settled status) seeking to sponsor foreign national dependants will see a
 drastic increase in the amount they need to earn to evidence they can support their dependants financially.
- o The minimum salary threshold for a family visa will be raised from the 2012 rate of £18,600 to £38,700.

Student visas: review of the graduate visa route

- Earlier this year, the government had announced that international students would not be able to bring dependants to the U.K. unless they are on a post-graduate research course. This will come into force for courses starting in January 2024.
- Following on from the above, the government will ask the Migration Advisory Committee to review the graduate route "to prevent abuse and protect the integrity and quality of U.K. higher education".²

The Home Secretary also re-announced plans to raise the Immigration Health Surcharge from £624 to £1035.³ (For related coverage, see *GMS Flash Alert* 2023-144, 18 July 2023.)

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Government policy-makers are working through the details with exact dates for implementation of the changes not yet being confirmed. However, employers will need to think holistically and strategically around their talent recruitment and retention policies to help ensure they can secure the immediate talent they need, whilst "future proofing" their workforce against increasing visa, administrative, and compliance requirements. Where there is a restriction on dependants accompanying migrant workers to the U.K., employers may find that the U.K. is no longer a choice destination for these individuals. This could impact access to talent, whilst leading to a skills and talent deficit that may require alternative, pragmatic solutions.

As an immediate action, employers may wish to consider whether the filing of immigration applications can be brought forward with an eye on the current lower salary thresholds, whilst managing employee and stakeholder communications regarding the upcoming immigration changes. Employers should also consider being in regular contact with their immigration counsel to make sure they are keeping abreast of any announcements relating to the effective date of the changes as these will have significant impact on recruitment and mobility programmes.

FOOTNOTES:

- 1 U.K. government, "Home Secretary unveils plan to cut net migration" (published 4 December 2023).
- 2 Hansard, Legal Migration, Volume 742: debated on Monday 4 December 2023 .
- 3 Hansard, Legal Migration, Volume 742: debated on Monday 4 December 2023.

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Contact us

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