



Important Changes to the Points-Based System (PBS): The UK Government's Temporary Limit on Immigration

The UK government has introduced a temporary limit on immigration until 31 March 2011, with a view to introducing a permanent limit from April 2011, as part of their commitment to reducing the number of migrants coming to the UK.

The Tier 1 category, which LSE has actively promoted as its preferred route since the introduction of the Points Based System, covers highly-skilled migrants who demonstrate that they meet the minimum number of points to be eligible to apply under this category. It is a self-sponsored route of entry into the UK and applicants are not required to have a job offer from a UK organisation.

The Tier 2 category covers skilled migrants who have a job offer from a UK organisation. The organisation will have been required to conduct a full recruitment search and demonstrate why an EEA national could not be appointed to fill the role, and is then able to issue a Certificate of Sponsorship (CoS) to the individual, specific to that post.

Typically the Tier 1 and Tier 2 categories would cover academic posts at all levels and a very few specialist skilled support roles.

The government's temporary limit will be applied to Tier 1 and Tier 2 in the following ways:

1. Raising the minimum number of points to apply for Tier 1.
2. Reducing the number of migrants who are able to apply for Tier 1 visas from **outside** of the UK. Applications made from inside the UK (for example those changing job or employer) are not considered under the temporary limit.
3. Reducing the number of Certificates of Sponsorship that an employer can issue under Tier 2.

How will this affect LSE?

The government's temporary limit on immigration will impact the School's ability to recruit and retain non-EEA nationals by reducing the number of Tier 1 and Tier 2 visas for non-EEA staff, and introducing a new level of direct government involvement during the recruitment procedure and beyond. Visa applicants may also experience delays in obtaining their visas which could result in the postponement of their start dates at the School even where they have been successfully appointed.

Tier 1

Tier 1 will operate on a **national** monthly limit basis, with applications made after the limit has been reached being deferred until the following month. Individuals applying for Tier 1 from outside of the UK will only be granted their visa if they:

- a) meet the minimum number of points under the revised criteria **and**
- b) the monthly limit has not been reached.

irrespective of the status of any job application or offer.

Tier 2

When the Points-Based System was introduced, organisations were given the opportunity to specify how many employees they were likely to need to sponsor under the new system, based on previous recruitment figures.

Now, the government has revised the Certificate of Sponsorship (CoS) allocation based on an automatic reduction of the number of CoS that the School issued between 19 July 2009 and 31 March 2010. This limit must cover the extensions of existing work permit holders and/or Tier 2 visa holders as well as new recruits.

The government has restricted the number of employees that the School can sponsor under Tier 2. HR has therefore ring-fenced a number of Tier 2 Certificates of Sponsorship for existing members of staff whose existing work permits are due to expire before 31 March 2011, and are expected to require renewal.

The remaining certificates of sponsorship will be allocated to new recruits on a 'first come, first served' basis, once all other possible visa options have been exhausted and it is clear that Tier 2 is the only route available.

Once all of LSE's allocation of Tier 2 Certificates of Sponsorship have been used, HR will support Departments in making a case for additional Certificates of Sponsorship under the UKBA's published procedure. However, Departments should note that the procedure makes it very clear that cases are considered on an exceptional basis and it is likely that most requests will be refused.

Departments should note that even if the case for an additional Certificate of Sponsorship is successful, this will introduce extensive delays to the recruitment process.

Departments should also note that LSE's monitoring obligations under Tier 2 remain unchanged and LSE must demonstrate that it has conducted an open advertising campaign and cannot find a suitable EEA worker to fill the post.

Departments are reminded that the advertising campaign must have been conducted within 6 months of the date that the Certificate of Sponsorship is assigned to the successful candidate, and the Tier 2 application must have been submitted within 3 months of the date of the Certificate of Sponsorship.

HR is making detailed representations to the UK government as part of its consultation to employers on the proposed changes, to the Migration Advisory Committee and to Universities UK, who is representing the HEI sector as a whole on this issue. In the meantime however Departments need to be aware of the potential additional steps and delays where recruitment is likely to involve non-EEA nationals.

What next?

Work Permit holders and Tier 2 visa holders who have resided in the UK for 5 years are advised to investigate whether they are eligible to apply for Indefinite Leave to Remain as soon as possible.

HR will be contacting those with visas due to expire between now and 31 March 2011 with information about how these changes will affect them. However, if you are concerned about how these changes might affect you please contact Sarah Pedder in HR directly as soon as possible.

Departments are advised to refer to the HR website for information about the application process and the points required for Tier 1 and Tier 2:

<http://www2.lse.ac.uk/intranet/LSEServices/divisionsAndDepartments/humanResources/recruitment/workPermits.aspx> or contact Sarah Pedder for a specific discussion about pending recruitment needs.

**Human Resources Division
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