

## **Changes to Tier 2**

Following announcements earlier this year by the government in connection with reforms to the Tier 2 route for skilled workers in the UK, we set out a timetable of the proposed changes which will be phased in with the first set implemented in Autumn 2016 followed by further reforms in April 2017.

### **Autumn 2016**

- Increase the basic salary threshold for experienced workers under the Tier 2 General from £20,800pa to £25,000pa. Please note that the applicant would also need to meet the SOC code minimum.
- The basic salary threshold for new entrants under Tier 2 General will remain at £20,800pa. Please note that the applicant would also need to meet the SOC code minimum.
- Increase salary threshold for Tier 2 Intra Company Transfer Short Term Staff category from £24,800pa to £30,000pa. Please note that the applicant would also need to meet the SOC code minimum.
- Closure of Tier 2 Intra Company Transfer Skills Transfer category
- Introduction of the Immigration Health Surcharge for Tier 2 Intra Company Transfers which currently applies to Tier 2 General applicants
- Introduce salary exemptions for certain occupations including nurses, paramedics and some secondary school teachers
- Providing preferential consideration when allocating restricted quota for overseas graduates applying under Tier 2 General Restricted
- Reduction to the minimum salary requirement for Tier 2 Intra Company Transfer Graduate Trainee category to from 24,800 to £23,000, and increasing the number of places to 20 per year
- Enabling graduates to switch roles on securing a permanent job.

### **April 2017**

- Increase the basic salary threshold for experienced workers under the Tier 2 General from £25,000pa to £30,000pa. Please note that the applicant would also need to meet the SOC code minimum.
- The salary threshold for Tier 2 Intra Company Transfer category will be £41,500 pa across all sub-categories except for those entering under the Graduate Trainee route. Please note that the applicant would also need to meet the SOC code minimum.
- Introduce a waiver of the Resident Labour Market Test and prioritise Tier 2 General quota allocations where the sponsoring entity is assessed by the Home Office as providing inward investment or relocating high value business to the UK.
- Introduction of the Immigration Skills Charge of £1,000 per sponsored person. Please note that the amount is £364 for smaller businesses and charities, and there is an exemption for PhD occupations, Tier 2 Intra-Company Transfer Graduate Trainees and Tier 4 students switching to Tier 2.
- For Tier 2 Intra Company Transfer Long Term holders remaining beyond 5 years but less than 9 years, the salary threshold will be reduced from £155,300pa to £120,000pa.
- To qualify under Tier 2 Intra Company Transfer category, the requirement to have worked for at least 12 months with the sponsored entity outside of the UK will be removed for those whose salary is over £73,900pa.
- Closure of the Tier 2 Intra Company Transfer Short Term sub category.