

## Immigration podcast

Transcript prepared for HR & Compliance Centre by Callisto Connect.

**Ferzana Ahmed:** So I think 2025 promises a year of further changes for UK immigration, certainly. So we've seen the expansion of the ETA scheme, as well as potential changes that may come in place for visa sponsorship linked to training. The businesses should ensure they continue to adapt to that kind of evolving landscape.

**Robert Shore:** Hello, and welcome to the Brightmine podcast, formerly known as the XpertHR podcast. Brightmine is a leading provider of people data, analytics and insight, offering employment law expertise, comprehensive HR resources and reward data to meet every HR and organisational challenge and opportunity. You can find us any time of the day or night at <https://www.brightmine.com>.

Hello everyone. My name is Robert Shore, and I am delighted to be welcoming to the podcast today Ferzana Ahmed and Mith Ragukaran, immigration solicitors at law firm Fragomen, who are contributors for us here at Brightmine. Ferzana and Mith are here to take us through the latest immigration developments and issues affecting HR professionals, including what's on the horizon.

Also joining us is Laura Merrylees, senior legal editor at Brightmine, and who is responsible for our immigration coverage. I think we did a podcast on this subject last year, didn't we Laura, at about this time?

**Laura Merrylees:** Yes we did.

**Robert Shore:** And it looked as though it was going to be a busy year.

**Laura Merrylees:** Yep.

**Robert Shore:** And was it?

**Laura Merrylees:** It certainly was. It was a busy year. And in fact, that was with Ferzana and Mith's colleague, Louise, Louise Haycock at Fragomen also. And we looked ahead to the changes that were coming. It was a busy year. We've had a change of government in that time but I don't think that has led to any tailing off in the volume of activity in the immigration space, and there is a sort of progression from what was happening last year into this. So very much looking forward to chatting to Ferzana and Mith about those changes.

**Mith Ragukaran:**

So, earlier this year the UK Government announced that various immigration fees were looking likely to increase and on 9 April 2025, the cost for the issuance of a Certificate of Sponsorship did in fact increase from £239 to £525, which was almost a 120% increase.

Some other fees for applications have also increased from this date, and Skilled Worker visa applications filed both in country and out of country have increased by approximately 7%. The fee for applying for a sponsor license for both small and large sponsors has also increased by appx. 7%.

And also as anticipated, the cost of an ETA, so an Electronic Travel Authorisation. has also increased from £10 to £16.

**Laura Merrylees:**

So, I mean, we saw fee increases last year as well, didn't we, I think, in many fees? Am I right in recollecting that? So I think overall we're seeing this upward trend in the cost of sponsoring overseas workers for employers with these likely fee increases happening this year as well.

**Mith Ragukaran:**

Definitely. That is a trend we have seen over the last few years. I think two years back there was the immigration health surcharge, which had a significant increase from around £624 a year to £1035, which was a significant increase.

**Laura Merrylees:**

Yeah, a significant increase. Yeah, absolutely.

**Mith Ragukaran:**

And we do generally see it around April time. The UKVI Home Office does sometimes tend to increase their fees as well, so there is a trend towards increasing fees over time.

**Laura Merrylees:**

And just in relation to that electronic travel authorisation, we're going to be coming onto that in a minute...

**Mith Ragukaran:**

Yeah.

**Laura Merrylees:**

...just to explain to our listeners what that's all about. So just moving onto another issue which is cost-related and all tied up with the cost of sponsoring overseas workers is a change in an employer's ability to recoup certain immigration-related costs. And this is important for employers, isn't it, Mith?

**Mith Ragukaran:**

Yeah, that's correct, Laura. Employers are restricted from passing on the immigration skills charge and Certificate of Sponsorship assignment fee onto employees and doing so would be grounds for the Home Office to revoke the employer's sponsor licence itself.

There has been further clarification from the Home Office now that in relation to the Certificate of Sponsorship, any associated administrative costs incurred, such as professional legal fees, are also prohibited from being recouped from the sponsored employee. This is applicable for Certificate of Sponsorship issued under the Skilled Worker route since 31 December 2024, and for other routes including the Global Business Mobility route, on or after 09 April 2025.

**Laura Merrylees:**

And so that means that employers need to be really careful about the documentation, the contractual position that they might have with some of these things that if there are claw-back provisions in there, well, we can't have them. You know, they need to audit that and make sure that those sort of claw-back provisions aren't operational.

**Mith Ragukaran:**

Under the current arrangements they may have there are particular clauses which do currently factor in because assignment fee then, it should definitely be revisited at this point, and bills should be removed because that's definitely a cost which should not be passed onto the assignee.

**Laura Merrylees:**

Yeah. It's a prohibition. Yeah, okay. No, thank you for clarifying that.

**Ferzana Ahmed:**

You know, this is something that would have quite a detrimental impact on any sponsor licence. So if a sponsor is found to be passing on any costs related to COS or the immigration skills charge then this could end in a revocation of that sponsor licence.

**Laura Merrylees:**

Yeah. So it's a pretty Draconian penalty for employers, isn't it? Yep. Okay.

**Mith Ragukaran:**

There is also a new rule in relation to salary reductions whereby any payments from an employee to an employer will be deducted from salary calculations in relation to applications made from ninth of April 2025, if they relate to immigration costs, business costs, or investments. For salary calculation purposes, deductions will be averaged over the length of time the applicant is being sponsored for. Payments will not be deducted if they fall under an additional benefit and the employee genuinely had a choice to take them up, for example, salary sacrifice arrangements. Unfortunately the updated guidance doesn't currently provide more detail on what is meant by immigration costs, business costs and investments, and if there are any further exemptions under the term additional benefits, and how the UKVI will apply the rule in complex or delayed payment scenarios.

**Robert Shore:** Right. So, let's get onto the third item, third item of eight that we're covering. And we're talking here now about the transition to EVs, and Ferzana wrote a great piece for us (which you can still find on our website, of course) at the end of last year. So Mith, can you just take us through the transition to EVs? What are the implications?

**Mith Ragukaran:** As you'll be aware immigration, the UKVI's intention is to transition to a fully digital immigration system, and at the end of 2024 we saw biometric residence permits being phased out and replaced with digital eVisas. The UKVI has confirmed that until first of June 2025 there is a grace in place and anyone who has been unable to create a UKVI account and register for an eVisa can still travel with their expired BRP card – Biometric Residence Permit, that is. This grace period was initially granted until 31st of March 2025 and has now been extended until the beginning of June to accommodate those still facing issues with registration. The deadline or first of June 2025 is not expected to be extended any further and so therefore it is advised that anyone who hasn't already done so does complete the UKVI registration account process and registering for the eVisa as soon as possible

**Robert Shore:** UKVI. I think we mentioned a couple of times there. I'm sure most people know what it stands for but just...

**Mith Ragukaran:** It's UK Visas and Immigration.

**Robert Shore:** And I think you've got some top tips for us?

**Mith Ragukaran:** Sure. So, individuals are advised to retain their old or previous immigration status documents, such as the expired BRP cards, to ensure smooth travel when entering to the UK. Once individuals have obtained their eVisas, they should just double-check that all the information recorded there is accurate, and if there are any errors these should be reported. And for anyone who hasn't still actually created a UKVI account or registered for an eVisa, it's recommended that they do so as soon as possible.

And just one final thing is that employers don't need to be informed when existing employees are transitioning or have transitioned to the eVisa.

**Laura Merrylees:** So Mith, we were talking earlier and you were mentioning in the context of fee increases electronic travel authorisations, ETAs. Do you want to take us through what these are and what they mean for employers?

**Mith Ragukaran:** So in late 2023, the Home Office introduced electronic travel authorisations, ETAs, which was a system requiring individuals to

apply for pre-authorisation before travelling to the UK as a visitor. This was initially piloted with Qatari nationals, and it's been introduced in phases.

By March 2025 the ETA scheme has been rolled out to 49 countries and territories where you would be required to apply for the ETA prior to travelling to the UK. This included US, Canadian, Australian and other non-EU nationals who previously weren't required to apply for any pre-authorisation before travelling to the UK.

The UK ETA scheme has now completed its final stage of expansion, and is now required for all eligible European nationals since second of April 2025. The fee is now £16 for an ETA application.

**Laura Merrylees:**

And you say there that, you know, you could be entering as a tourist or a business visitor. So that's the part where employers will be pricking up their ears. So, somebody arguably might already have an ETA because they've travelled to the UK as a tourist, and that's fine. If they're coming on a business visit they can use the ETA that they've already got to come over and that will be fine. Is it two years that they have validity, an ETA? Is that right?

**Mith Ragukaran:**

Yeah, it's two years.

**Laura Merrylees:**

Yeah. But from an employer's perspective, if the person who is coming over on a business visit doesn't have an ETA, what would you say, from the conversations you're having with your clients etc., what's the expectation there on employers and how they handle this ETA process? Should they be the ones sort of organising, funding it? What's your view there?

**Mith Ragukaran:**

Yeah. So it is definitely something that businesses should consider, especially with business travel and making sure that this is sorted out for the individuals travelling to the UK well in advance so that they're not faced with any sort of delays or issues when entering the UK.

Where non-visa nationals, I guess, are concerned, if they're applying for a business visit visa to the UK they would be applying for a visa itself, whereas the ETA scheme is different to...

**Laura Merrylees:**

Yeah.

**Mith Ragukaran:**

...applying for a visa. So with anyone who has previously just been used to booking a ticket and flying over to the UK for a business meeting where a visa wasn't required, it is important that this is something which is taken into consideration well in advance so that they just have...

**Laura Merrylees:**

There aren't the hiccoughs...

- Mith Ragukaran:** Yeah.
- Laura Merrylees:** ...that you were just talking about.
- Mith Ragukaran:** Yeah.
- Laura Merrylees:** And the expectation would be for an employer to support that cost if they're coming on business rather than the individual picking that cost up. And presumably, although the cost is much lower, we're not talking about costs that you can't recoup from the employee here with the EAT?
- Mith Ragukaran:** That's correct.
- Laura Merrylees:** I mean, theoretically you could but I imagine most employers will be funding it, won't they?
- Mith Ragukaran:** Yeah.
- Laura Merrylees:** So, yeah.
- Robert Shore:** Here I come again with my numbering scheme. Laura, you keep forgetting to put in the numbers! So, we're moving onto number five now, five of eight, and something that happened at the end of January about automation. Ferzana, can I ask you to take us through that?
- Ferzana Ahmed:** Yes, of course. So, currently individuals holding pre-settled status and seeking to apply to settle in the UK must submit a further application under the EUSS. So, upon completion of five years they can make that application. However, the UK Government has announced from end of January they will start looking at individuals who hold pre-settled status that are due to expire, and the Home Office will automatically extend their pre-settled status by five years and may also email the individuals to confirm that they may shortly be considered for automated conversion to settled status.
- Individuals will not be required to make any formal application, and under this automated conversion process the Home Office will check government-held information. So they will work with departments such as HMRC and DWP, as well as border crossing and criminal record data, to just confirm the individual has completed the five years residence and there are no reasons to refuse the individual on criminal conduct grounds.
- Once the Home Office grant the settled status, they will once again email the individual and notify them of this decision.
- So, the new process aims to really simplify just this transition from pre-settled to settled status for EU nationals, and it just ensures that

eligible EU citizens can continue to live and work in the UK without unnecessary administrative steps.

**Robert Shore:** And so this came in at the end of January. And how is it working so far in your experience?

**Ferzana Ahmed:** So, at the moment we are just waiting to see how the system works. The new process will endeavour to be less complicated. I think the Home Office will really look to prioritise individuals where they have accessible records, such as national insurance contributions, and just to really flag individuals who don't have records. If the Home Office can't verify their residence, they will not be granted settled status automatically so they will still need to make an application to obtain settled status.

**Laura Merrylees:** So, moving onto number six of the eight that we will be discussing, Ferzana, can I ask you about the tougher sponsorship scrutiny that we're already seeing from the Home Office? And this is really significant for employers, isn't it, in terms of the crack-down really on non-compliance? Can you just take us through what you're aware of, what you're seeing and what you're hearing?

**Ferzana Ahmed:** Absolutely. So, over the past few years the UKVI has really made it quite crystal clear that enforcing sponsored licence compliance is a top priority. And I think with the change in government we saw the Home Secretary actually making a reference to this in her initial statement.

In 2024, the Government took a more strict and more focused approach to sponsored licence compliance. So if we look at last year, for example, we saw significant increases in compliance action by the Home Office. So they carried out many sponsor visits, but if you compare the number of licences that they suspended in 2023 (which was 428) to the number suspended in 2024 (which was 761), this was a clear indication of how strictly they're enforcing their policy.

The Home Office also revoked 222 licences in 2023, but if you compare that to 1441 sponsor licences revoked in 2024, again it just really hones in how much focus is currently on compliance.

**Laura Merrylees:** It absolutely does. So, sort of bearing that in mind, what would you suggest employers do to sort of, you know, ensure that they're not one of those...you know, they don't form part of that statistic?

**Ferzana Ahmed:** Of course. So, employers should really ensure they're up to date with their sponsorship duties and compliance obligations so that they are ready in case of any Home Office audit or visit.

**Laura Merrylees:** And that could be unannounced, presumably?

- Ferzana Ahmed:** Absolutely.
- Laura Merrylees:** Yeah, yeah.
- Ferzana Ahmed:** Yeah. And largely they are. So it's just very imperative that sponsors are aware of what their obligations are. And I think from a Home Office perspective, sponsorship is viewed as more of a privilege and not a right.
- So, we expect this kind of increased scrutiny to continue in 2025. So, the UKVI has already begun implementing measures and updated its guidance to introduce a new set of restrictions on skilled worker sponsors, such as what we've discussed, which is passing on cost of sponsor licence applications, as well as associated administrative costs to sponsored workers.
- Laura Merrylees:** Yeah. Can I just ask as well, hasn't the Employment Rights Bill sort of also flagged that the Government's going to be taking action? Because I mean, we're hearing about the Employment Rights Bill obviously a lot in the context of employment rights, but it's actually now going to sort of, kind of creep into the immigration area as well. Yeah. From what I understand.
- Ferzana Ahmed:** No, absolutely. So currently the new Employment Rights Bill is looking to introduce new measures just targeting rogue employers who abuse the UK visa system. So employers who repeatedly breach immigration rules or commit serious employment law breaches such as not paying the national minimum wage, they will face extended bans on hiring overseas workers. And repeat offenders will be barred for at least two years. They may be subject to cooling-off periods as well.
- Laura Merrylees:** Yeah. So at the moment that's all a proposal?
- Ferzana Ahmed:** Yes.
- Laura Merrylees:** But it's definitely something employers need to have when they're sort of, kind of looking at their overall compliance and, you know, the scrutiny that they might be put under.
- Ferzana Ahmed:** Absolutely. And I think our recommendation, you know, as flagged there, is that it's really important for employers to stay on top of their compliance and obligations, but also to monitor any kind of update to guidance. So if you look at the right-to-work check guidance, for example, end of last the employer's right-to-work check guidance was updated and the Home Office now strongly encourages businesses to ensure that their contractors and labour providers carry out the right-to-work checks on the people they employ, and that these checks are completed correctly.

So, prior to this update the guidance had stated employers may wish to check that the right-to-work checks have been completed correctly for contractors, whereas now it's just the language is becoming a bit more of strongly encouraging and recommendation to sponsors to make sure that these are...that they have a process in place that allows them to ensure that the checks have been completed correctly.

**Laura Merrylees:** On contractors.

**Ferzana Ahmed:** Yes.

**Laura Merrylees:** So it extends beyond those people that you employ directly...

**Ferzana Ahmed:** Absolutely.

**Laura Merrylees:** ...and 'strongly encouraged' is the message that's coming through.

**Ferzana Ahmed:** Absolutely.

**Laura Merrylees:** Yeah. Okay. No, thank you for clarifying that.

**Robert Shore:** Right, so point number seven then – Ukraine and permission to work in the UK for Ukrainians. I think the UK has done something about this.

**Ferzana Ahmed:** It has been over three years since the war in Ukraine began, and the Home Office have set up a new scheme to enable Ukrainians who came to the UK under one of the humanitarian visa schemes to extend their visa by a further 18 months under the new Ukrainian permission extension scheme. So the scheme opened on 4 February, and it really is just the Home Office trying to provide a further period of temporary sanctuary to individuals who are impacted. So the process is fairly straightforward. However, individuals are still required to make an application. And I think, just from a Home Office perspective, the time spent under the scheme will not allow individuals to apply for settlement, and the time spent will not count towards any ten-year route for settlement.

So it's imperative that employers firstly ensure they complete a right-to-work check before the expiry of any employee whose existing immigration permission is due to expire under the previous Ukrainian schemes. But also if you have an employee who has this status under this route, that you as an employee or the individual themselves would like to remain in the UK long-term, then consideration really should be given to switching their status into another visa route which will allow them to settle, such as the skilled worker route.

**Robert Shore:** And should the war end soon...

- Ferzana Ahmed:** Fingers crossed.
- Robert Shore:** ...presumably it makes no difference whatsoever to the length of this extension?
- Ferzana Ahmed:** Absolutely. And I think there is no indication that the scheme is reliant on how long that war goes on.
- Laura Merrylees:** So, coming onto our final point for discussion, which is looking to future changes, other future changes that we can anticipate in 2025 for sponsorship, do you want to take us through what you see on the horizon, what you see potentially coming across your desks dealing with your clients?
- Ferzana Ahmed:** So, immigration and just controlling the number of people who relocate to the UK is likely to remain a high kind of factor on the Government's agenda in 2025. At the end of 2024 following news reports that net migration to the UK was a lot higher than initially thought, the Labour Government has reasserted its intention to reduce the dependence of the UK's labour market on foreign workers. In its annual 2024 report the MAC, which is the Migration Advisory Committee, has confirmed that the Government has requested a yearly assessment of key sectors' use of immigration system. So, the MAC has already been tasked with examining the use of work immigration routes for IT and engineering professionals. So you will see they will reach out to a lot of different sectors and organisations to get that information.
- Now, this proposal could mean that employers will need to demonstrate a commitment to upskilling the domestic workforce before they can sponsor workers.
- And these policies will undoubtedly shape the immigration policies moving forward. So we are anticipating a white paper with just further reforms of the sponsorship visa routes. And we know Labour is working on new policies and the white paper, which is still kind of in embryonic stage, with a focus on compliance due to concerns about exploitation and just reducing the migration numbers, which is always a priority.
- Laura Merrylees:** So we've covered a lot there, Ferzana. I mean, just sort of some closing thoughts from you for our listeners in terms of what you see as the theme coming through for this year and what employers should be thinking about.
- Ferzana Ahmed:** So I think 2025 promises a year of further changes for UK immigration, certainly. So, as the UK immigration system goes fully digital employers should really stay informed about the developments to just ensure compliance. So we've seen the

expansion of the ETA scheme, as well as potential changes that may come in place for visa sponsorship linked to training. The businesses should ensure they continue to adapt to that kind of evolving landscape.

**Laura Merrylees:**

Sure.

**Robert Shore:**

Fantastic. So we need to wrap up at this point. I should just say thank you to our guests today, Mith and Ferzana. Thank you so much for coming in. And obviously we have a lot of supporting materials on the Brightmine website. Beyond that, all I can say is until next time.

<https://www.brightmine.com>