HM Government

# The UK's Points-Based Immigration System
## Policy Statement

February 2020

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# Introduction

The United Kingdom (UK) exited the European Union (EU) on 31 January 2020. This policy statement sets out how we will fulfil our commitment to the British public and take back control of our borders.

We are ending free movement and will introduce an Immigration Bill to bring in a firm and fair points-based system that will attract the high-skilled workers we need to contribute to our economy, our communities and our public services. We intend to create a high wage, high-skill, high productivity economy.

We will deliver a system that works in the interests of the whole of the UK and prioritises the skills a person has to offer, not where they come from.

For too long, distorted by European free movement rights, the immigration system has been failing to meet the needs of the British people. Failing to deliver benefits across the UK and failing the highly-skilled migrants from around the world who want to come to the UK and make a contribution to our economy and society.

Our approach will change all of this. We are implementing a new system that will transform the way in which all migrants come to the UK to work, study, visit or join their family. It will also revolutionise the operation of the UK border, tighten security and deliver a better customer experience for those coming to the UK.

From 1 January 2021, EU and non-EU citizens will be treated equally[1]. We will reduce overall levels of migration and give top priority to those with the highest skills and the greatest talents: scientists, engineers, academics and other highly-skilled workers. Importantly we remain committed to protecting individuals from exploitation by criminal traffickers and unscrupulous employers.

We will replace free movement with the UK's Points-Based System to cater for the most highly skilled workers, skilled workers, students and a range of other specialist work routes including routes for global leaders and innovators.

We will not introduce a general low-skilled or temporary work route. We need to shift the focus of our economy away from a reliance on cheap labour from Europe and instead concentrate on investment in technology and automation. Employers will need to adjust.

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[1]    In most cases, references throughout this paper to citizens of the European Union also relate to citizens of the European Economic Area and Switzerland.

However, the Settlement Scheme for EU citizens, which opened in March 2019, has already received 3.2 million applications from EU citizens who will be able to stay and work in the UK. This will provide employers with flexibility to meet labour market demands.

We recognise that these proposals represent significant change for employers in the UK and we will deliver a comprehensive programme of communication and engagement in the coming months. We will keep labour market data under careful scrutiny to monitor any pressures in key sectors.

Initiatives are also being brought forward for scientists, graduates, NHS workers and those in the agricultural sector, which will provide businesses with additional flexibility in the shorter term.

For the first time in decades the UK will have full control over who comes to this country and how our immigration system operates. This policy statement sets out how we will grasp this unique opportunity by introducing a new points-based system.

Alongside this policy statement we will shortly be publishing our response to the Law Commission Report on Simplification of the Immigration Rules which will set out how we propose to provide the foundations for a streamlined and simplified system.

# The UK's Points-Based System

1. From 1 January 2021, free movement will end, and we will introduce the UK's Points-Based System. This is part of a wider multi-year programme of change, led by the Home Office, to transform the operation of the border and immigration system.

2. These changes will be followed by further improvements to the UK's sponsorship system and the operation of the UK border, including, in the longer-term, the introduction of Electronic Travel Authorities to ensure those coming to the UK have permission to do so in advance of travel. We are taking a phased approach to ensure the smooth delivery of this new system and to allow sufficient time for everyone to adapt. This policy statement focuses on the first phase of changes being introduced in 2021.

## Salary and skills thresholds

3. The Migration Advisory Committee (MAC) published its report on salary thresholds and points-based systems on 28 January. We are grateful for its considered work.

4. We accept the MAC's recommendation on salary thresholds, including to lower the general salary threshold from £30,000 to £25,600. Migrants will still need to be paid the higher of the specific salary threshold for their occupation, known as the 'going rate', and the general salary threshold. However, as set out below, under the points-based system for skilled workers, applicants will be able to 'trade' characteristics such as their specific job offer and qualifications against a lower salary. There will continue to be different arrangements for a small number of occupations where the salary threshold will be based on published pay scales. We will set the requirements for new entrants 30% lower than the rate for experienced workers in any occupation and only use the base salary (and not the allowances or pension contributions) to determine whether the salary threshold is met. Additionally, in line with the MAC's recommendations, we will not introduce regional salary thresholds or different arrangements for different parts of the UK.

5. We will implement the MAC's recommendation to bring the skills threshold down from RQF6 to RQF3. We will suspend the cap on the number of people who can come on the skilled worker route and remove the resident labour market test. These changes will ensure that a wide pool of skilled workers will be able to come to the UK from anywhere in the world and the process will be made simpler and quicker for employers. These are important changes signalling that the UK is open for business.

## Skilled workers

6.   The points-based system will provide simple, effective and flexible arrangements for skilled workers from around the world to come to the UK through an employer-led system. All applicants, both EU and non-EU citizens, will need to demonstrate that they have a job offer from an approved sponsor, that the job offer is at the required skill level, and that they speak English. In addition to this, if the applicant earns more than the minimum salary threshold then the individual would be eligible to make an application. However, if they earn less than the required minimum salary threshold, but no less than £20,480, they may still be able to come if they can demonstrate that they have a job offer in a specific shortage occupation, as designated by the MAC, or that they have a PhD relevant to the job. In effect, applicants will be able to 'trade' characteristics such as their specific job offer and qualifications against a salary lower than the minimum salary or the 'going rate' in their field.

| Characteristics | Tradeable | Points |
|---|---|---|
| Offer of job by approved sponsor | No | 20 |
| Job at appropriate skill level | No | 20 |
| Speaks English at required level | No | 10 |
| Salary of £20,480 (minimum) – £23,039 | Yes | 0 |
| Salary of £23,040 – £25,599 | Yes | 10 |
| Salary of £25,600 or above | Yes | 20 |
| Job in a shortage occupation (as designated by the MAC) | Yes | 20 |
| Education qualification: PhD in subject relevant to the job | Yes | 10 |
| Education qualification: PhD in a STEM subject relevant to the job | Yes | 20 |

**A total of 70 points is required to be eligible to apply; some characteristics are tradable.**

7.   For example, a university researcher in a STEM (science, technology, engineering, and mathematics) subject wishing to come to the UK on a salary of £22,000, (which is below the general minimum salary threshold), may still be able to enter the UK if they have a relevant PhD in a STEM subject. Likewise, a nurse wishing to come to the UK on a salary of £22,000 would still be able to enter the UK on the basis that the individual would be working in a shortage occupation, provided it continues to be designated in shortage by the MAC.

8.   The MAC will be commissioned to produce a shortage occupation list covering all jobs encompassed by the skilled worker route and to keep the list under regular review. Allocating extra points for occupations that the MAC determines to be in shortage in the UK will provide immediate temporary relief for shortage areas, making it easier to recruit migrants. However, we expect employers to take other measures to address

shortages and the MAC will look at this when they review whether an occupation is still in shortage.

9.    It is also important to recognise that in some higher paid occupations, the 'going rate' will be above the general salary threshold. Migrants will still be awarded points for holding a relevant PhD or if the occupation is in shortage, which they will be able to trade against a salary lower than the 'going rate': 10% lower if they have a relevant PhD in a non-STEM subject; 20% lower if they have a relevant PhD in a STEM subject; or 20% lower if the occupation is designated in shortage by the MAC. In line with the MAC's advice, there will continue to be reduced salary requirements for new entrants to the labour market.

10.    The Home Office will publish further detail on the points-based system in due course, including detailed guidance regarding the points tables, shortage occupations and qualifications. As now, skilled workers will be able to be accompanied by their dependants.

11.    The scheme will be implemented from January 2021. This is just the first stage in our plans for a points-based system. The Home Office will continue to refine the system in the light of experience and will consider adding further flexibility into the system including additional attributes that can be 'traded' against a lower salary. For example, this might include a greater range of qualification levels or other factors such as age or experience studying in the UK. However, we need to guard against making the system too complex.

## Highly-skilled workers

12.    From January 2021, we will extend the current Global Talent route to EU citizens on the same basis as non-EU citizens. The most highly skilled, who can achieve the required level of points, will be able to enter the UK without a job offer if they are endorsed by a relevant and competent body. This scheme has recently been expanded to be more accessible to those with a background in STEM subjects who wish to come to the UK.

13.    Additionally, in line with the recommendations from the MAC, we will create a broader unsponsored route within the points-based system to run alongside the employer-led system. This will allow a smaller number of the most highly-skilled workers to come to the UK without a job offer. We will explore proposals for this additional route to the points-based system with stakeholders in the coming year. Our starting point is that this route would be capped and would be carefully monitored during the implementation phase. Example characteristics for which points could be awarded include academic qualifications, age and relevant work experience. This route will take longer to implement; we want to learn from previous experience of similar schemes in the UK that have highlighted certain challenges. The scheme will need to be designed to make sure it adds value and does not undermine the skilled worker route or create opportunities for abuse.

## Lower-skilled workers

14. As part of the significant changes we are making to the operation of the border and immigration system, we are delivering on our manifesto commitment to reduce overall migration numbers. We will therefore end free movement and not implement a route for lower-skilled workers. We have reached this conclusion based on a number of factors set out in this paper.

15. UK businesses will need to adapt and adjust to the end of free movement, and we will not seek to recreate the outcomes from free movement within the points-based system. As such, it is important that employers move away from a reliance on the UK's immigration system as an alternative to investment in staff retention, productivity, and wider investment in technology and automation.

16. The points-based system will provide significantly greater flexibility for skilled workers wishing to come to the UK. The requisite salary thresholds and skill levels will provide employers with greater scope to employ skilled migrants from overseas.

17. The EU Settlement Scheme (EUSS) is operating effectively. As at the end of January, over 3.2 million applications have been made to the scheme. We have been clear that we want EU citizens already in the UK to stay and to continue to make important contributions to our economy and society. Both pre-settled and settled status under the EUSS allows unrestricted rights to work, providing employers with flexibility to meet labour market demands.

18. The MAC also noted that even in the current absence of a route for lower-skilled migration from outside the EU, there are estimated to be 170,000 recently arrived non-EU citizens in lower-skilled occupations. This supply, which includes people such as the dependants of skilled migrants, will continue to be available.

19. We have committed to expanding the pilot scheme for seasonal workers in agriculture which will be quadrupled in size to 10,000 places. The UK also enjoys youth mobility arrangements with eight countries and territories which results in around 20,000 young people coming to the UK each year. Both routes will provide employers with further ongoing flexibility in employing individuals into lower-skilled roles.

## Students and Specialist Occupations

20. Students will be covered by the points-based system. They will achieve the required points if they can demonstrate that they have an offer from an approved educational institution, speak English and are able to support themselves during their studies in the UK.

21. Under the current immigration rules, there are a range of other immigration routes for specialist occupations, including innovators, ministers of religion, sportspeople and to support the arts. Our broad approach for January 2021 will be to open existing routes that already apply to non-EU citizens, to EU citizens (the current 'Tier 5').

## Other routes

22.  The rules for family reunion, asylum and border crossing checks are outside of the points-based system. However, they will remain integral to the transformation of the UK's new immigration system programme.

23.  In addition, we will continue our generous visitor provisions, but with simplified rules and guidance. We expect to treat EU citizens as non-visa nationals meaning they can come to the UK as visitors for six months without the need to obtain a visa. We will also unilaterally allow EU citizens to continue to use e-gates, but we will keep this policy under review. There will be no change to the arrangements for the Common Travel Area.

24.  The future system will also deliver on 'Mode 4' commitments for temporary service suppliers, in line with existing and future trade agreements.[2] Individuals will achieve the required points if they meet the requirements for the specific routes.

25.  We will not be creating a dedicated route for self-employed people. We recognise that there are several professions where there is a heavy reliance on freelance workers. They will continue to be able to enter the UK under the innovator route and will in due course be able to benefit from the proposed unsponsored route. The UK already attracts world class artists, entertainers and musicians and we will continue to do so in the future. The UK's existing rules permit artists, entertainers and musicians to perform at events and take part in competitions and auditions for up to six months. They can receive payment for appearances at certain festivals or for up to a month for a specific engagement, without the need for formal sponsorship or a work visa.

## Criminality

26.  From the end of the transition period we will introduce a single, consistent and firmer approach to criminality across the immigration system. We will apply this to everyone seeking to come to the UK, wherever they are from. Currently, EU citizens are subject to different thresholds for criminality than those from the rest of the world. Existing UK rules for non-EU citizens are both stricter and more specific. The application of the current EU public policy test is less certain and predictable in practice than we would like.

## The visa process

27.  People coming to the UK from any country in the world for the purpose of work or study, other than some short-term business visitors and short-term students, will need to obtain a visa for which they will pay a fee. We will levy the Immigration Skills Surcharge on employers and the Immigration Health Surcharge on the same basis as now. For employers sponsoring skilled migrants, the process will be streamlined to

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[2]  Mode 4 refers to commitments that the UK takes in free trade agreements in respect of the temporary entry and stay of business persons. These commitments typically cover business visitors, intra-company transfers and contractual service suppliers and independent professionals. The UK implements its existing commitments through the Immigration Rules applied to non-EU citizens.

reduce the time it takes to bring a migrant into the UK by up to eight weeks. We intend to further reduce this through additional enhancements to the system.

28. Migrants will make their application online and most EU citizens will enrol facial biometrics using smartphone self-enrolment; fingerprints will not initially be required. Non-EU citizens will submit biometrics at a Visa Application Centre, as they do now. All migrants will need to comply with the UK's strict criminality rules.

29. Most EU citizens will be issued with an e-visa which confirms their right to be in the UK. The online checking service will be used by EU citizens to demonstrate their immigration status and their rights and entitlements, where permitted, when accessing work and services. For many EU citizens, their status will automatically be available when seeking to access benefits or the NHS. Non-EU citizens, including those who are the family members of EU citizens will, for the time being, continue to be provided with physical evidence of their status. Access to income-related benefits will be the same for EU and non-EU citizens arriving after January 2021; it will only be permitted after indefinite leave to remain is granted, usually available after five years of continuous residence. There will be exceptions for those who arrive outside of the points-based system. Ensuring migrants can evidence their status is at the heart of our new system and underpins an approach to compliance that is fair and robust when responding to those that abuse our hospitality.

30. EU citizens living in the UK by 31 December 2020 are eligible to apply to the EU Settlement Scheme and will have until 30 June 2021 to make an application. As a transition measure, employers, landlords and public service providers will continue to accept the passports and national identity cards of EU citizens as evidence of permission during this period, up until 30 June 2021.

31. We intend to open key routes from Autumn 2020, so that migrants can start to apply ahead the system taking effect in January 2021. Employers not currently approved by the Home Office to be a sponsor should consider doing so now if they think they will want to sponsor skilled migrants, including from the EU, from early 2021.

32. Annex A sets out the typical user journey for a migrant entering the UK, regardless of whether they are an EU or non-EU citizen.

## Crossing the border

33. Our vision for our border system is to both protect the public and enhance prosperity. We will continue to invest in biometrics and technology which will improve security and the passage of legitimate travellers through the border. This transformation will result in a fully digital end to end customer journey, requiring everyone (except Irish nationals) to seek permission in advance of travel.

34. We intend to phase out the use of insecure identity documents for newly arriving migrants and will set out further details on this shortly. This means most migrants will use a passport when arriving at the border. The citizens of Australia, Canada, Japan, New Zealand, the United States of America, Singapore and South Korea, who possess biometric passports, will continue to be able to use e-gates to pass through

the border on arrival. We will also unilaterally allow EU citizens to continue to use e-gates, but we will keep this policy under review.

## Engagement and outreach

35. The Government, in delivering on its manifesto commitments, has considered relevant views, evidence, and analysis in finalising this policy.

36. A programme of engagement will begin in March 2020 to raise awareness of the new system, ensuring those affected by the changes are fully aware of what it means for them and understand how the system will operate. We will also work closely with stakeholders to understand their views on the implementation of the points-based system.

37. Engagement will be via multiple methods, across the whole of the UK, and will focus upon those sectors most impacted including small and medium sized enterprises. We will build on the success and experience of implementing the EU Settlement Scheme with opportunities for face to face engagement with officials, who will go to every region of the UK, alongside traditional communication and media channels. We will work with key countries around the world, including EU Member States, to explain how the new system will operate.

## MAC analysis of a points-based system, and salary thresholds for immigration

38. In its latest report, the MAC modelled the impact of salary and skills thresholds on the EEA migrant population. It estimated that, under their recommendations, around 70% of resident EEA citizens arriving in the UK since 2004 would be found ineligible for either a skilled-work, family or Tier 4 visa given their current (2016-18) characteristics. The MAC suggest that these changes could bring both costs and benefits to the UK, and highlight 'estimated impacts at the macro level are small'.

39. Although the MAC modelling is based on the stock of migrants (and is a 'backwards-looking' approach) it is important to note that EEA citizens who came after 2004 will have a right to remain in the UK. Although the MAC expect an increase in non-EEA migration, given the difficulties in forecasting migration flows it did not attempt to predict future non-EEA migration flows. These will be affected by a wide range of factors including and beyond migration policy.

40. The MAC modelling gives a broad overview of impacts but does not include detailed eligibility rules within each route – for example the impact of any additional fees or changes to administration costs which will affect behaviour.

41. More detailed analysis on the points-based system and individual routes will be published shortly.

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# Annex A: Migrant Journey from January 2021

| Step | Journey Stage | Migrant Actions |
|------|---------------|-----------------|
| 1 | Planning to come | EU citizens and non-visa nationals will not require a visa to enter the country when visiting. All migrants looking to enter the UK for other reasons (such as work or study) will need to apply for permission in advance. Those who come to the UK as a visitor will need to leave the country before making an application to another route. |
| 2 | Getting permission | For those who need a visa, migrants will make their application online. Most EU citizens will complete their application online, while non-EU citizens will continue to go to Visa Application Centres (VACs) to enrol their biometrics. |
| 3 | Crossing the UK border | Citizens of Australia, Canada, Japan, New Zealand, Singapore, South Korea and the USA, who possess biometric passports, will continue to be able to use e-gates to pass through the UK border either as a visitor or with prior permission. We will also unilaterally allow EU citizens to continue to use e-gates, but we will keep this policy under review. Others will need to see a Border Force officer. |
| 4 | Living in the UK | EU citizens will use the online checking service to demonstrate their immigration status and their rights and entitlements, where permitted, when accessing work and services in the UK. For many EU citizens, their status will automatically be available when seeking to access benefits or the NHS. Non-EU citizens will continue to use their physical documentation. |
| 5 | Leaving the UK | Leaving the UK after leave has expired, or not leaving at all when required to, will impact a migrant's immigration status and will affect future interactions with UK immigration. |