

Beyond Brexit: The UK's plans for a new immigration system

The UK government has now released [plans for a new immigration system](#), to take effect when freedom of movement between the EU and the UK comes to an end. While we won't see the detail of the system just yet, the Home Office's policy paper contains a lot of food for thought.

This note suggests key messages for your business, illustrates how the new system will work and provides a plan to help you prepare. Much of this will be familiar –there have been a few tweaks, but the government's plans are very much in line with the content of our January 2020 Beyond Brexit briefing.

This note will help you prepare for the change. It will be a big job –you will want to understand impacts, contingency plan (potentially fundamentally changing your business model), communicate with the business, adjust any number of mobility or HR policies and adapt to a new system. That could all be on top of your day to day job. Do get in touch, if you'd like help.

KEY MESSAGES



Despite Brexit happening on 31 January 2020, there will be no practical changes to immigration between the UK and the EU until 1 January 2021.



European employees in the UK and UK employees residing in an EU country before 1 January 2021 will be able to stay but may need to make an application to register their status, as will their family members. UK citizens in Ireland and Irish citizens in the UK remain unaffected - they both enjoy rights of residence and work in each country regardless.



We are already providing UK employees with application support and guidance and will offer support to employees in Europe when application/registration guidance is published.



On 1 January 2021, free movement rights will end for the UK nationals travelling to the EU and vice versa.



A new UK immigration system will be introduced in 2021. We can expect:

- ▶ EU and non-EU nationals will be treated equally. For skilled EU workers, this means slower recruitment, substantial government fees and minimum salary requirements
- ▶ A faster and simpler system for non-EU workers, with lower salary requirements
- ▶ No visa category for low skilled workers, other than agriculture



From 1 January 2021, UK nationals will require work permission in Europe, except in Ireland. We can expect between one and six months, sometimes longer in specific circumstances, to land them.



You can take measures to mitigate these challenges.

THE NEXT UK IMMIGRATION SYSTEM

We now have a clearer idea of how and whether workers will be able to enter the UK under the new immigration system and there will be two main Points Based Systems:

- ▶ A skilled work visa for people with a job offer
- ▶ The government will explore a highly skilled work visa for people without a job offer and could allow self employment, albeit the category will not take effect on 1 January 2021

There will not be an immigration category for low skilled workers. The government’s paper states that ‘employers will need to adjust’. The paper then states that employers must ‘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’. The last government’s plans for a one year visa allowing low skilled work have been scrapped. Similarly, EU nationals will not benefit from the existing youth mobility scheme programme, available to certain nationalities.

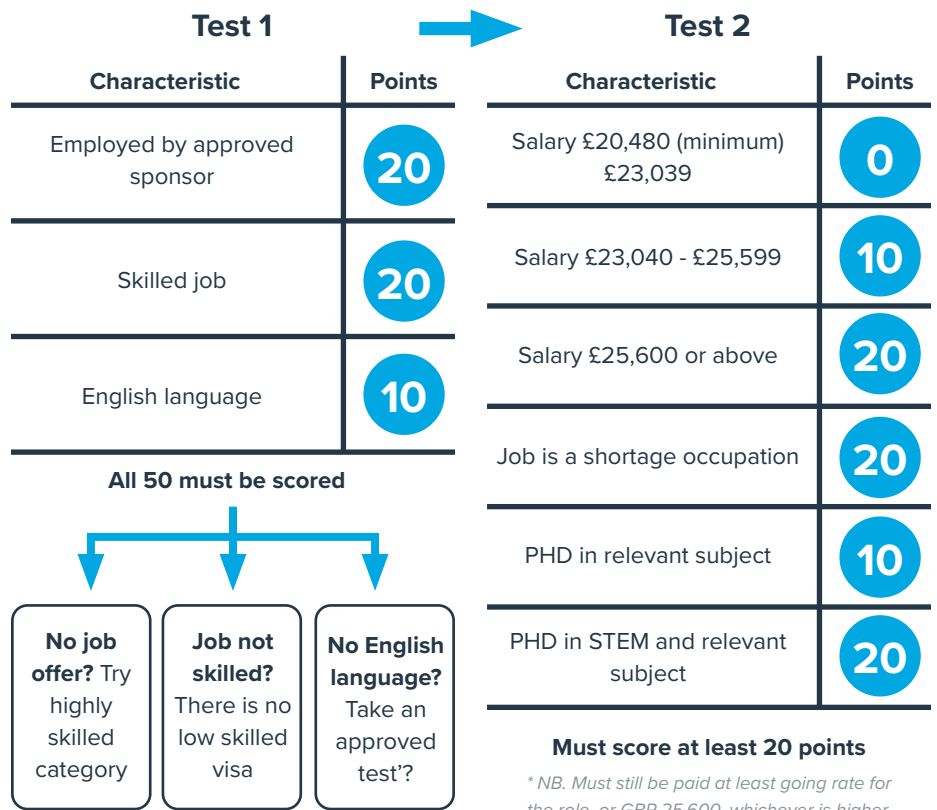
WORKERS WITH A JOB OFFER:



Employer needs an overseas worker

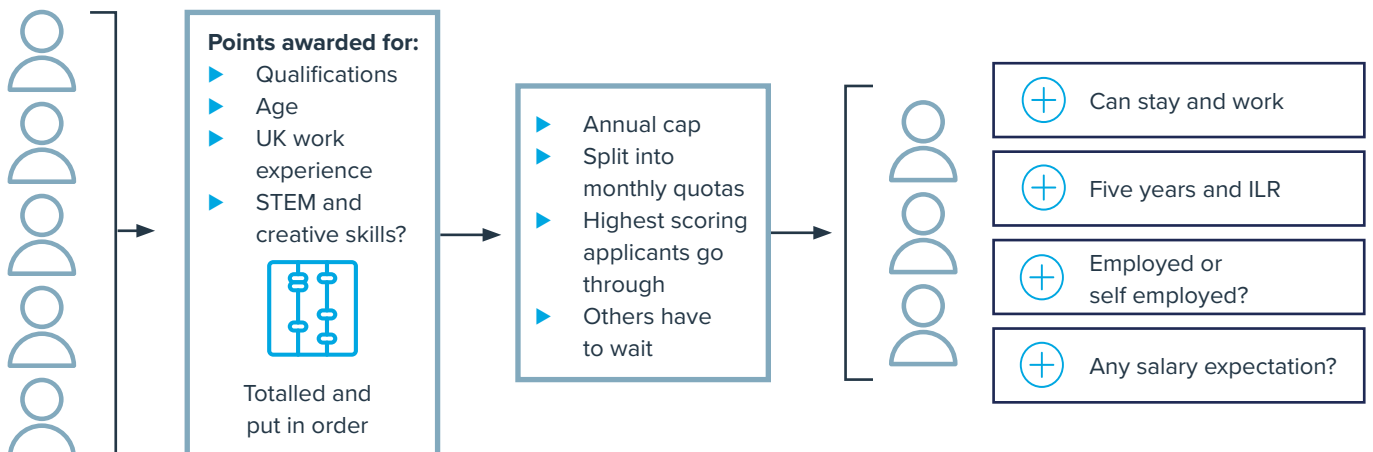
Other considerations

- ▶ For all nationalities other than UK and Ireland
- ▶ No labour market test and cap is suspended
- ▶ Unclear how intracompany transfers will fit
- ▶ Substantial government fees

























WORKERS WITHOUT A JOB OFFER









The government will consult with stakeholders on a highly skilled route. It is likely that this route will not be implemented by 1 January 2021. Here we illustrate the Migration Advisory Committee’s recommended structure.



We can help you manage the Brexit transition. Here is how we will be helping our clients.

Although this note is concerned with the new immigration system, existing employees will be your first priority. This is how you can plan for both:

	Workers employed before 2021	Workers employed from 2021 onwards
Assumptions		
	 <p>Impacted people: Europeans in the UK (except citizens of the Republic of Ireland), UK citizens in Europe (except in Ireland) and their family members</p>	 <p>Free movement between the EU and the UK ended on 31 December 2020</p>
	 <p>Residence will be protected if entered and registered before 2021</p>	 <p>A new UK immigration system will restrict Europeans' right to work in the UK (except Irish citizens) while simplifying the system for non-Europeans</p>
	 <p>An application will be needed, with different process in each country</p>	 <p>In Europe (except in Ireland), UK nationals will fall under the rules for non-EU citizens, such as US or Canadian nationals</p>
Data requirements		
	 <p>European employees in UK</p>	 <p>Current employment, employee and vacancy data for workforce planning, mapped against policy assumptions</p>
	 <p>UK employees in Europe</p>	 <p>Prospective employment and employee data for planned recruitment cycles, e.g. graduate programme, mapped against policy assumptions</p>
	 <p>Qualifying employees with family member status</p>	 <p>Spend forecasting</p>
	 <p>Impacted employees on assignment</p>	
Quarter 1, 2020		
	 <p>Reassure, educate and direct employees</p>	 <p>Collect/ audit necessary data</p>
	 <p>Make useful resources available to employees</p>	 <p>Brief leadership on challenges and opportunities</p>
	 <p>Reaffirm right to work policies and update onboarding policies</p>	 <p>Assess your workforce against Home Office Policy Statement to understand cost, constraints, risk and opportunities</p> <p>Adjust business model or recruitment strategy, if needed in line with vastly reduced access to low skilled workers</p>
	 <p>Brief leadership on volumes, locations and plans to support</p>	
	 <p>From February, EU Member State application policies to be published. Direct, guide and support employee applications</p>	
	 <p>Develop tailored plans for commuters, business visitors and other cross border workers</p>	

	Workers employed before 2021	Workers employed from 2021 onwards
Quarter 2		
	 <p>Reactive communications where necessary, directing employees to stock resources</p>	<ol style="list-style-type: none"> 1 — Detailed Immigration Rules published? 2 — Refine impact assessment 3 —
Quarter 3		
	 <p>Reactive communications where necessary, directing employees to stock resources</p>	 <p>Ahead of UK free movement rights ending, adjust mobility policies</p>
		 <p>Headcount planning: assess whether impacted moves due in 2021 can be brought forward</p>
		 <p>Ensure recruiters, line managers and other stakeholders are fully apprised of policy changes</p>
Quarter 4		
	 <p>Direct (remind) employees to make their application, explaining the consequences of missing deadlines</p>	 <p>New UK immigration licensing technology may be rolled out in advance of free movement ending. Take any necessary steps, apply for a new licence for instance</p>
Quarters 1 and 2, 2021		
	 <p>Direct (remind) employees to make their application, explaining the consequences of missing deadlines</p>	<ol style="list-style-type: none"> 1 — New immigration system takes effect: Plan for transition reporting, if appropriate 2 — 3 —

Please contact your Fragomen account lead for more information or email us at brexit@fragomen.com