

GUIDE TO

# preparing your tier 2 sponsor licence application

How to prepare a successful application  
for a UK sponsorship licence.

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For UK employers faced with skills shortages in the domestic labour market, hiring from overseas has become critical to meeting talent and workforce needs.

Organisations in the UK that want to employ migrant workers under the points-based system must first apply to the Home Office for a sponsorship licence.

In this guide, we explain the various eligibility and compliance requirements you will need to satisfy when preparing to make your sponsor licence application.

## This guide will help:

- HR teams
- SME business owners
- Sponsor management system users

# Meet the author

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Anne advises on all aspects of UK business immigration law, from supporting HR teams with Home Office applications and immigration compliance to advising multinationals on global mobility strategy.

She also supports globally-mobile individuals such as foreign investors, entrepreneurs, high net worth individuals and senior executives and their families with options for entry and settlement in the UK.

Anne is an experienced presenter and trainer and a regular commentator on UK immigration matters, in particular relating to economic migration, HR & immigration compliance and global mobility.



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# Sponsor licence application

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To secure a Tier 2 sponsor licence, you have to make a formal application to the Home Office's UKVI division (UK Visas & Immigration).

Sponsor licence holders must by law meet certain compliance duties when hiring and employing migrant workers. The Home Office will use the application process to verify your organisation's eligibility to meet these duties.



# Before starting your application

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To avoid issues or delays with your application, take time to understand the application process and the supporting evidence you will need to send with your application.

A sponsor licence is the permission granted by UKVI for an organisation to employ nationals from non-EU countries under Tier 2 or Tier 5 of the UK's points-based immigration system.

This applies to all types of employer, irrespective of size or sector. This includes private, limited companies, PLCs, charities and public sector organisations.

There are two types of sponsor licence, depending on whether the individuals you want to sponsor are:

- Tier 2 - skilled workers with long-term job offers
- Tier 5 - skilled temporary workers

When applying, you will need to specify if you want your licence to cover both tiers or just one, giving consideration to your current and longer-term recruitment needs.

Errors or issues with your application could result in a delayed or refused application, as well as loss of your application fee.

Given the organisational need to invest in the sponsor licence and in hiring from overseas, it makes sense to approach your licence application with a good understanding of:

- What UKVI is looking for from applicants
- What the application process involves

In this guide, we look in turn at the eligibility criteria you need to fulfil, the evidence you will need to show that you qualify and the process to follow to submit your application.

## 4 YEAR VALIDITY

Sponsor licences are granted for a period of 4 years and must be renewed via an application to the Home Office to retain your permission to employ migrant workers.

# Tier 2 visa types

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The Tier 2 route comprises four visa types. In this guide, we will focus on the Tier 2 (General) visa, but we can answer any questions you may have relating to the other Tier 2 visa types:



## GENERAL

Tier 2 (General) visa for skilled workers sponsored by their employer for a qualifying role that cannot be filled from the resident labour market.



## INTRACOMPANY TRANSFERS

Tier 2 (Intra Company Transfer) visa for employees transferred from an overseas branch of an organisation to its UK branch.



## MINISTER OF RELIGION

Tier 2 Minister of Religion visa is for people coming to work for a religious organisation for up to 3 years.



## SPORTSPERSON

Tier 2 Sportsperson visa is for elite sportspeople and coaches who will be based in the UK.

# Eligibility checker: sponsoring organisation

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The Home Office will be looking to verify that your organisation satisfies the requirements to become a UK licensed sponsor of skilled migrant workers:

## GENUINE ORGANISATION

Are you a genuine organisation operating lawfully in the UK? You will need to provide documentary evidence to prove your status, as listed under Appendix A.

## GENUINE EMPLOYMENT

Is the role on offer a genuine position, requiring the jobholder to perform duties and responsibilities compliant with the required Tier 2 skill level for a salary at or above the relevant threshold?

## COMPLIANCE WITH DUTIES

Are your HR systems and processes compliant with sponsor duties relating to record-keeping, monitoring and reporting?

## HONEST & RELIABLE

UKVI will conduct background checks on your key personnel and anyone involved in the day-to-day running of your licence.

# Key personnel

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As part of the licence application, you have to assign the following roles to nominated individuals:



## AUTHORISING OFFICER

The most senior person within the organisation responsible for the recruitment of all migrant workers and ensuring that all of the company's sponsor duties are met.



## KEY CONTACT

Your main point of contact with UK Visas and Immigration.



## LEVEL 1 USER(S)

Responsible for day-to-day management of the licence on the Sponsor Management System (SMS). You must always have at least one Level 1 user.



## LEVEL 2 USER(S)

SMS user with more restricted access than a Level 1 user. Multiple Level 2 users can be appointed once the licence is in place.

# Licence compliance duties

Through the application process, the Home Office will be looking to verify your ability to comply with the sponsor licence duties:

## Record keeping

Your organisation is required to maintain records of your Tier 2 workers, for example relating to their current Right to Work in the UK documentation, NI numbers (where applicable) and up-to-date contact details.

## Tier 2

Retain evidence of the recruitment process for the Tier 2 role and proof of satisfying the Resident Labour Market Test including the advertising campaign, interview notes, list of all applicants and reasons for rejection and references for the selected applicant.

## Monitoring and reporting

Track and monitor sponsored employees, reporting within 10 working days if the sponsored individual:

- fails to start work when expected;
- has 10 days of consecutive unauthorised absence;
- has their contract terminated earlier than expected, i.e. resignation; or
- moves into another immigration category.

You are also required to report to the Home Office any suspicions and evidence that an individual is breaking the conditions of their stay in the UK.

## Absence monitoring

Ensure all Tier 2 employee absences are authorised, including sickness, annual leave, study leave and overseas travel.

## Duty to notify

If your company has moved address, the Home Office needs to know. Unannounced site visits remain common, requiring current addresses for immigration enforcement officials to attend and carry out inspections.

You must have an Authorising Officer in place at all times. If the current incumbent leaves the company, or relocates overseas, or goes on sabbatical or maternity leave, you need to appoint someone else to fill the role and notify of this change on the SMS.

Details of UK branches are not published on the SMS but you need to maintain internal records and update every time a branch is opened or closed to ensure the licence is kept up to date. Best practice is also to update UKVI each time a linked entity overseas is established or closed.

You also have to notify of other significant changes to the company such as takeovers, acquisitions, mergers and TUPE transfers within 28 days of the change happening as such changes generally have complex implications for your licence.

# Eligibility checker: role & worker

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Further eligibility also apply to the role to the individual visa applicant.

## Eligibility of the role

- It is a skilled role, graduate level or above. Tier 2 roles must generally be at or above Regulated Qualifications Framework level 6.
- The role matches one of the standard occupation codes (SOC), which sets out example job tasks that are associated with the role.
- The role pays at or above the relevant minimum salary threshold, as per the appropriate SOC code.
- The organisation has performed the Resident Labour Market Test, unless exempt under the Shortage Occupation List, and been unsuccessful in finding a suitable UK-resident worker to fulfil the role.

## Eligibility of the worker

- The individual meets the English language requirement. This means having either at least CEFR level B1 in reading, writing, speaking and listening, or an academic qualification taught in English and recognised by UK NARIC as equivalent to a UK bachelor's or masters degree or PhD.
- Will be paid the appropriate salary for the role.
- Has been assigned a valid Certificate of Sponsorship to perform the role.
- Has access to sufficient personal savings when they arrive in the UK.
- Has no general grounds for refusal such as a negative immigration history.

## CERTIFICATE OF SPONSORSHIP

A CoS is a self-certifying document that you issue to a job candidate to enable them to make their Tier 2 visa application to the Home Office. Once your licence has been set up, submit the required information on the Sponsor Management System and a unique reference number will be issued. Note that a CoS is not transferrable between individuals.

# Resident labour market test

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**UK employers have to show they have attempted to recruit for a Tier 2 role from the UK resident labour market before recruiting nationals from outside the EEA, unless the role is on the Government's Shortage Occupation List.**

**Retain evidence of the recruitment process for the Tier 2 role and proof of satisfying the Resident Labour Market Test (RLMT) including the advertising campaign, interview notes, list of all applicants and reasons for rejection and references for the selected applicant.**



# Supporting documents

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You have only five days from the date of submitting your form to send your supporting documents to UKVI. Preparing your evidence first will help you to meet the deadline.

## examples of documents:

As a general guide, you may have to submit:

**Organisation details, Authorising Officer, Key Contact, Level 1 user, other users and representatives**

**The number of Certificates of Sponsorship you need and your reasons for this number**

**The names and trading dates of your organisation if it has traded under another name in the last four years**

**Your organisation's size and sector**

**The name and registration number of any accrediting or governing body**

**The name and registration number of any Stock Exchange your organisation is registered with**

**Details of any criminal convictions or civil penalties**

**Payment card details**

**Any other mandatory documents applicable to your organisation under Appendix A**

# Appendix A

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## Appendix A lists the documents you have to provide to support your application for a sponsor licence.

The documents are used to evidence that your organisation is genuine and trading in the UK.

In most cases you will need to provide four documents based on the instructions in tables 1-5, unless you are a:

- Public body recognised by the UK government, such as a local authority
- Company listed on the London Stock Exchange Main Market

Appendix A is made up of five tables, which should be used as follows:

### Table 1

Details exemptions to the requirement on licence applicants to provide four items of supporting documentation.

Those listed in table 1 should follow the specific instructions and submit only what is requested. Employers not referenced in table 1 should move on to table 2.

### Table 2

Lists the type of documents that must be provided to support your licence application. The documents will vary depending on the type of organisation that is applying. Where further additional documents are needed, go to table 3.

### Table 3

Further documents that are required, relating to the type of application you are making.

### Table 4

This list applies if you are unable to identify four documents from tables 1, 2 or 3. Use this list to make the number of documents to submit up to four.

### Table 5

This form is to be submitted in addition to the four mandatory supporting documents if you intend to assign a Certificate of Sponsorship for a Tier 2 shortage occupation digital technology post.

## DOCUMENT FORMAT

The Home Office will only accept documents in original form or certified copies. Documents not in English will need to be certified translations.

# Appendix A

## table 1:

Organisation	Documents to submit
Public body that appears in the corporate report 'Public bodies 2013 summary data' on GOV.UK.	No documents necessary.
Public body that does not appear in the corporate report 'Public bodies 2013 summary data' on GOV.UK.	You must send either documentary evidence from your sponsoring government department which clearly says you are a public body or, if your details are published on your sponsoring department's website, a covering letter giving the name of your sponsoring department so that we can do an online check.
Government Department	No documents necessary.
Local Authority and your website can be accessed via the search facility on GOV.UK.	No documents necessary.
<ul style="list-style-type: none"> <li>Overseas Government</li> <li>Diplomatic Mission</li> <li>International Organisation whose employees enjoy certain privileges and immunities under UK or international law</li> </ul>	You only need to send a letter as described in Section 4 of the Tiers 2 and 5: guidance for sponsors.
Listed on the London stock exchange (main market)	UKVI will check your listing online and you do not need to send any documents unless there are documents in Table 2 or Table 3 of this appendix that apply to you.
Start-ups - if operating or trading in the UK for less than 18 months on the date of application, checks will be different to those for more established businesses.	<p>You must send evidence that you have a current, corporate bank account with a bank registered by the Financial Conduct Authority in the UK.</p> <p>You must also send any mandatory information set out in Table 3 of this appendix to submit 4 different pieces of information. If you are unable to put 4 documents together from Tables 1 to 3, you can also send any of the following:</p> <ul style="list-style-type: none"> <li>a certificate of VAT registration</li> <li>a letter from your corporate banking provider, setting out the dealings it has had with you, including the nature and duration of those dealings</li> <li>any document from Table 4 of this appendix</li> <li>a letter from the Department for International Trade (DIT) or economic devolved government departments in Scotland, Wales or Northern Ireland confirming that your business is working with them; this letter can only be issued where your company/business already has a demonstrable working relationship with the department - see Appendix E of the guidance for sponsors</li> </ul>

# Appendix A

## table 2:

Organisation	Documents to submit
Franchise	Franchise Agreement signed by both parties.
<p>Organisations required to be registered with and/or inspected/monitored by a regulatory body to operate lawfully in the UK will be checked for registration and last inspection report where appropriate, such as:</p> <ul style="list-style-type: none"> <li>• Nursing/care homes and other businesses, which must be inspected by Ofsted or the Care Quality Commission or the equivalent bodies in Scotland, Wales and Northern Ireland</li> <li>• Financial or insurance businesses carrying out regulated activities which must be registered with the Financial Conduct Authority or the Prudential Regulation Authority</li> <li>• Healthcare and medical providers, who must be registered with the General Medical Council or General Dental Council</li> </ul> <p>This is not an exhaustive list.</p>	<p>If you are regulated by any of the bodies listed on the left, you be subject to an online check and do not need to send any registration or inspection evidence unless specifically requested. All branches you have asked to be included on your licence will also be checked.</p> <p>Note: if you have applied for your licence under a different name to the one you have given to any of these bodies, you can either send your last inspection report or send a covering letter advising of the name you have given to the regulatory body in order for the online check to be performed.</p> <p>If you are regulated by a body not listed on the left, you can either send documentary evidence of your registration and any branches or sites you have asked to be included on your licence where appropriate, or a web link to a page on the regulatory body’s website which the Home Office can use to verify your status online, and the status of any branches you have asked to be included on your licence.</p> <p>Note: if you are applying as a head office and all branches or a group of branches, evidence of any registration for each individual branch within that group will be needed where that registration is a legal requirement.</p> <p>Note: if membership or registration with a professional body or with Companies House is not relevant to your application, no evidence of such a registration is needed. This section only applies where you have to be registered with a body which has the authority to take action against you for any failings and where, if it removed your registration or authorisation, you would no longer be able to lawfully operate some or all of your business.</p>

# Appendix A

## table 2:

Organisation	Documents to submit
<p>Food business required to be registered with or approved by a food authority</p>	<p>You must send evidence of your registration or approval. This may be a 'Scores on the Doors' rating, or a letter from the relevant authority which has approved/registered you.</p> <p>For a 'Scores on the Doors' rating, you do not need to send any evidence if your rating is published on <a href="https://scoresonthedoors.org.uk">scoresonthedoors.org.uk</a> in the same name that you are applying for your licence under.</p> <p>Note: if you have applied for your licence under a different name to the one on your 'Scores on the Doors' rating, you can either submit documentary evidence of your rating or send a covering letter with the name you have been rated for use with the online check.</p>
<p>Charity</p>	<p>If you are registered with the Charity Commission or the Office of the Scottish Charity Regulator (OSCR) (or you are exempt from the requirement to register) you do not need to send any evidence of the registration if you are applying in the same name as your registered charity as this will be checked online.</p> <p>If you are applying under a different name to the one under which you are registered as a charity, you must advise of the name you are registered for the online check.</p> <p>If you are based in Northern Ireland, you must send proof of having obtained charitable status for tax purposes from HMRC.</p> <p>If you are an ecclesiastical corporation (corporate sole, or body corporate), you must send proof that you are established for charitable purposes.</p> <p>If you are not registered according to the relevant charity legislation, you must send an explanation of why you are not registered.</p> <p>If you are a school with Academy status, you do not need to send any evidence of registration.</p> <p>If you are registered with the Charity Commission or the Office of the Scottish Charity Regulator (OSCR), but you have applied for your licence under a different name to the one you are registered under, you can either send documentary evidence of your registration or a covering letter with the name you are registered under.</p> <p>If you are applying under the Tier 5 (Temporary Worker) Charity Worker category, you should ensure that you meet the qualifying requirements in the Tiers 2 &amp; 5: guidance for sponsors.</p>

# Appendix A

## table 3:

Organisation	Documents to submit
<p>Applying for:</p> <ul style="list-style-type: none"> <li>• Tier 2 (Sportsperson)</li> <li>• Tier 5 (Temporary Worker) Creative &amp; Sporting</li> </ul> <p>to sponsor sportspeople and/or coaches</p>	<p>You must send a copy of the endorsement from the governing body for your sport, which has been approved by the Home Office. This must include the governing body unique reference number.</p>
<p>Applying for Tier 5 (Temporary Worker) International Agreement because you want to sponsor contractual service suppliers or independent professionals</p>	<p>You must provide evidence to show that you have awarded a services contract for a period of 12 months or less, through open tendering (or other procedure) which guarantees the bona fide character of the contract under an international trade agreement, as described in the Tiers 2 &amp; 5: guidance for sponsors.</p>
<p>Applying for Tier 5 (Temporary Worker) Government Authorised Exchange (GAE)</p>	<p>All applications for Tier 5 (Temporary Worker) Government Authorised Exchange (GAE) must be supported by an endorsing government department (or one of its executive agencies) and be approved by the Home Office before you send your application. By the time you apply for a Tier 5 (Temporary Worker) GAE licence, the Home Office will have already made sure that your scheme has been endorsed and approved. This means you only need to send a total of 3 documents which should be made up of any mandatory documents from Table 2 of this appendix and any other documents from Tables 3 and 4 of this appendix to make your total number of documents up to 3.</p>
<p>Applying for:</p> <ul style="list-style-type: none"> <li>• Tier 2 (Minister of Religion)</li> <li>• Tier 5 (Temporary Worker) Religious Worker</li> </ul>	<p>You should first read the Tiers 2 and 5: guidance for sponsors, to ensure that you qualify as a religious organisation. You must send information about you which must include:</p> <ul style="list-style-type: none"> <li>• Which faith/religion you belong to</li> <li>• Details of your parent organisation and how you are connected to them, where applicable</li> <li>• A hierarchy chart, where applicable, that shows where you are in the hierarchy</li> <li>• The size of your adult congregation</li> <li>• The number of clergy you currently employ where applicable</li> <li>• Addresses of your regular meeting places</li> <li>• Your scheduled days and hours of worship</li> </ul> <p>Where there is a set hierarchy within your faith, you must send a letter of support from the head of your faith body organisation or their nominated legal representative which confirms that you are part of that organisation.</p> <p>Where applicable, you must send a copy of your 'Form 76' from the General Register Office giving authorisation for the use of a building as a place of worship.</p> <p>Where applicable, you must send a copy of 'Form 78' from the General Register Office giving authorisation for marriages to be performed at a place of worship</p>

# Appendix A

## table 3:

Organisation	Documents to submit
Applying for Tier 2 (Intra-company Transfer)	<p>You must send one of the following:</p> <ul style="list-style-type: none"> <li>• Head Office's audited accounts clearly showing the link between the 2 entities</li> <li>• Head Office's audited annual report clearly showing the link between the 2 entities</li> </ul> <p>Note: if either of the above documents is available to view online, you can send a covering letter advising which website it is available on.</p> <ul style="list-style-type: none"> <li>• An affidavit signed by a senior partner/executive within the UK entity, identifying all of the connected entities both in the UK and overseas</li> <li>• Where an organisation is registered on the London Stock Exchange or one of the FCA approved international stock exchanges, a notarised statement by the company secretary of the organisation, setting out the global corporate structure with ownership percentages of each related corporate entity detailed</li> <li>• Certified copy of the share register or equivalent of one or other of the entities showing ownership by the entity or a copy of the share registers of both entities showing the common parent company</li> <li>• Certified copy of the agreement naming both entities as parties or one entity as a party and the other entity as the subject of the agreement which allows one entity to control the composition of the other entity's board</li> <li>• Certified copy of the agreement naming both entities as parties or one entity as a party and the other entity as the subject of the agreement which allows one entity to cast or control the casting of more than half the maximum number of votes that might be cast at a general meeting of the other entity</li> <li>• Certified copy of the joint venture agreement naming both entities as parties or one entity as a party and the other entity as the entity formed by that agreement certified copy of the agreement naming both entities as parties or one entity as a party and the other entity as the entity formed by that agreement that would constitute a joint venture agreement other than for the fact that joint venture agreements are not permitted in the country of operation; or one of the entities is not permitted to enter into joint ventures in the country of operation</li> <li>• Certified copy of the agreement which allows both entities to use a trademark which is registered or established under the laws of the UK and the jurisdiction of the other entity's country of operation - this is only applicable to accountancy or law firms</li> <li>• Certified copy of the agreement which allows both entities to operate under the same name in the UK and in the jurisdiction of the other entity's country of operation - this is only applicable to accountancy or law firms</li> <li>• Articles of Association</li> </ul>

# Appendix A

## table 4:

Organisation	Documents to submit
<p>Applying for:</p> <ul style="list-style-type: none"> <li>• Tier 4 (General) student</li> <li>• Tier 4 (Child) student</li> </ul>	<p>You must demonstrate that you meet the requirements of the Tier 4: guidance for sponsors.</p> <p>You must provide all the following documentation:</p> <ul style="list-style-type: none"> <li>• Proof that you are based in the UK</li> <li>• Proof that you are operating and trading lawfully in the UK</li> <li>• Proof that you have registered for VAT with HM Revenue and Customs where required to do so</li> <li>• A written record of a fire risk assessment conducted by a competent person</li> <li>• Evidence to show that you have appropriate planning permission or local planning authority consent to operate the relevant type or class of organisation at your trading address</li> <li>• Any documentation which demonstrates that the sites, exceptional arrangements and/or partnerships meet all of the relevant requirements of the 'Sites and teaching partnerships' section of Document 1 of the Tier 4: guidance for sponsors.</li> </ul> <p>Note: that you may be asked for other documents at any time.</p> <p>If you are a new independent school you must send evidence that you have been formally registered by the relevant Government Department in your country as follows:</p> <ul style="list-style-type: none"> <li>• England: your School Number, issued by the Department for Education</li> <li>• Scotland: your Scottish Executive Education Department code</li> <li>• Northern Ireland: your confirmation of registration letter from the Department of Education Northern Ireland, School Governance Team</li> <li>• Wales: your confirmation of registration letter from the Welsh Assembly Government , School Governance Team, which will include your unique school reference number</li> </ul> <p>If you are an overseas HEI offering short-term 'study abroad' programmes in your own premises in the UK to students who are enrolled in their home country, you must provide the following:</p> <ul style="list-style-type: none"> <li>• Overseas accreditation, which can be confirmed by NARIC, that</li> <li>• Proof that you only teach part of your programmes in the UK - the information you provide should verify that students are studying in the UK for no more than 50% of the total length of the course and must include either of the following: <ul style="list-style-type: none"> <li>- original letter from the home campus confirming the above</li> <li>- original brochure/leaflet/catalogue confirming the above</li> <li>- certified copy of appropriate information from the institutional web site confirming the above</li> </ul> </li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>- proof that you have full legal control of the premises you use – such as original or certified copy of licence, lease, or proof of ownership.</li> </ul> <p>Note: if you offer study abroad programmes on a franchise basis via a third party in the UK, you will need to ensure that the private provider you are linked with meets our educational oversight requirements and send evidence of the contractual agreement.</p>

# Appendix A

## table 4:

### Other documents you can provide

Evidence that you have employer's liability insurance cover for at least £5m from an authorised insurer.

The Financial Conduct Authority (FCA) maintains a register of authorised insurers.

Proof of your listing on the London Stock Exchange main or AIM markets.

Proof of your listing on one of the Financial Conduct Authority approved international stock exchanges.

Proof of registration with HM Revenue & Customs (HMRC) as self employed.

Provide each partner's Unique Tax Reference Number (UTR) and/or the Partnerships/Businesses Unique Tax Reference Number (UTR).

Proof of registration must be original or certified copies of documentation issued by HMRC only.

Current financial report or audited annual report with the name of the accountant clearly shown. The accountant should be a member of an accredited accounting body such as the Association of Consulting Actuaries (ACA).

Evidence of Registration with HM Revenue & Customs (HMRC) as an employer to pay PAYE & National Insurance. Provide proof of PAYE.

Reference Number & Accounts Office Reference Number.

Evidence of registration must be original or certified copies of documentation issued by HMRC only.

Latest acknowledgement of a Company Tax Return CT620, or the completed CT600 tax return and the CT603 notice.

Evidence of submitting returns to HM Revenue & Customs (HMRC) – Foreign Entertainers Unit.

Evidence that you have the appropriate planning permission to operate your type/class of business at your trading address where this is a Local Authority requirement.

Proof of listing as an overseas company on the London Stock Exchange International Companies listing.

# Appendix A

## table 4:

### Other documents you can provide

Your latest audited annual accounts with the name of the accountant clearly shown. The accountant should be a member of an accredited accounting body, such as the:

- Chartered Institute of Management Accountants (CIMA)
- Chartered Institute of Public Finance and Accountancy (CIPFA)
- Association of Chartered Certified Accountants (ACCA)
- Association of Consulting Actuaries (ACA)

If you are legally obliged to submit audited accounts, one of the 4 documents must be your most recent set of audited accounts.

If this information is available to view online, you can send a covering letter with the website address.

Latest annual self-assessment tax return to HM Revenue & Customs (HMRC) - Statement of Account (SA300 or SA302).

HM Revenue & Customs (HMRC) VAT registration certificate confirming VAT registration number and 'effective date of registration' if business' VAT taxable turnover is more than the 'threshold'.

Latest corporate/business bank statement and/or a letter from your bank setting out the dealings it has had with you, including the nature and duration of its dealings.

Note: that if both documents are submitted, this will only count as one document towards the minimum document total of 4.

Proof of ownership or lease of your business premises. If you send a copy of your lease agreement, it must be signed by all parties concerned.

Licence for premises to serve alcohol issued by the local authority/court.

# Additional supporting information

**With a Tier 2 (General) licence application, in addition to the four mandatory documents you should also provide the following information:**

- Why you are applying for a sponsor licence
- Which sector you operate in
- What your opening/operating hours are
- An up to date organogram detailing the organisational hierarchy including owners, directors & board members
- If you have 50 employees or fewer, list all employees' names and job titles
- Which jobs you are recruiting for under Tier 2 including:
  - Job title & Standard Occupational Classification (SOC) code
  - Job description & duties
  - Where each job sits on the organogram
  - Expected salary level
  - Skills, experience and qualifications required for each job

# Don't fall foul

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## Avoid these common grounds for failed applications:

All supporting documents must be sent to the Home Office together within 5 working days of the date on which you applied online for your sponsor licence.

Failure to meet this requirement will see the Home Office refuse your application and the fee will not be refunded.

The documents must be in original form or certified copies.

If there are any documents specified in Appendix A missing from the application, or if the Home Office requires any additional documents, they may contact you to request further information or they may consider your application invalid and the application fee will be refunded.

### Already found your candidate?

If you have already found an individual to sponsor, you will need to provide evidence of how you identified this person.

You will need to confirm whether the person is already working for you. If you have not advertised the job and the migrant is not currently working for you, you should confirm how you identified that this person was the most suitable for the job.

Where the role is subject to the resident labour market test, it must be advertised in line with Home Office guidance to ensure that there are no settled workers who would be suitable to carry out the role.

If you identified this person as a result of a recruitment process, you will need to include copies of the advertisements and details of where and when they were advertised. You should also provide details of any applicants and why they were not suitable for the job.

If you have already identified a person, including if they are a migrant already working for you, and you intend to assign a CoS to them, you should provide the following details of the person:

- Full name
- Date of birth
- Nationality
- Current immigration status
- Current job title and duties
- 3 monthly payslips, if applicable

## ILLEGAL WORKING

Licence applicants must also show they comply with the prevention of illegal working regulations, with appropriate Right to Work systems in place.

# Complete the form

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If you are satisfied you meet the criteria and you have compiled the supporting documentation, you would next look at the application form.

You apply for a licence using the online form on the Sponsor Management System, which can be accessed via the Home Office website.

The SMS is used by organisations both to apply for their licence and, if the licence is granted, to manage their sponsor licence on an ongoing basis.

To begin, you have to register an account on the SMS using the email address of the key contact.

You will be issued a user ID and password which you will need to log into the system.

Ensure you keep a record of your ID when it is first issued as you will not be provided with it again.

As you complete the form, you should save after each page to avoid losing work.

You will need access to a printer to print the final submission sheet.

Having completed the form and paid the fee, you then need to submit your supporting documents to the Home Office by post within 5 working days.



## How long does application processing take?

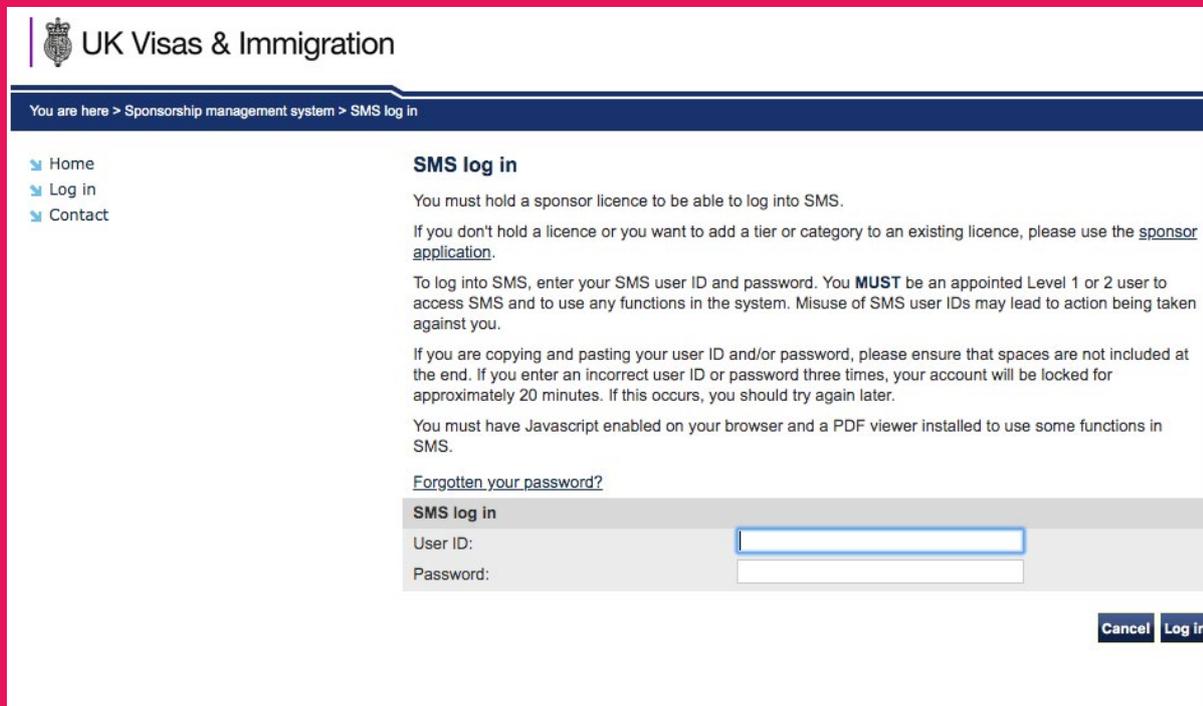
Licence applications are usually processed within 4 weeks.

# Introducing the SMS

## As a sponsor licence holder, the SMS will become part of your everyday HR activity.

The Home Office relies on the information held in the SMS to communicate with and monitor all 27,000+ licence holders. Sponsors are under a duty to maintain and update the SMS with relevant changes relating to the organisation and its sponsored workers. It should be a snapshot of your organisation's licence at any one time.

If you fail to keep your licence up to date, the Home Office has powers to downgrade, suspend or revoke your licence, potentially impacting your current sponsored migrant employees' status and your ability to recruit and employ sponsored migrants in the future.



The screenshot shows the 'SMS log in' window within the UK Visas & Immigration system. The page header includes the UK Visas & Immigration logo and the text 'UK Visas & Immigration'. Below the header, a breadcrumb trail reads 'You are here > Sponsorship management system > SMS log in'. A navigation menu on the left contains links for 'Home', 'Log in', and 'Contact'. The main content area is titled 'SMS log in' and contains the following text: 'You must hold a sponsor licence to be able to log into SMS. If you don't hold a licence or you want to add a tier or category to an existing licence, please use the [sponsor application](#). To log into SMS, enter your SMS user ID and password. You **MUST** be an appointed Level 1 or 2 user to access SMS and to use any functions in the system. Misuse of SMS user IDs may lead to action being taken against you. If you are copying and pasting your user ID and/or password, please ensure that spaces are not included at the end. If you enter an incorrect user ID or password three times, your account will be locked for approximately 20 minutes. If this occurs, you should try again later. You must have Javascript enabled on your browser and a PDF viewer installed to use some functions in SMS.' Below this text is a link for '[Forgotten your password?](#)'. The login form itself is titled 'SMS log in' and has two input fields: 'User ID:' and 'Password:'. At the bottom right of the form are 'Cancel' and 'Log in' buttons.

Fig. 1. SMS log in window

# Application fees

There are a number of fees you will need to pay as part of your licence application and its ongoing management.

Home Office fees will be payable when:

- Making your initial application for a sponsor licence
- Applying to renew an existing sponsor licence after four years
- Applying to extend the scope of an existing licence
- Assigning each Certificate of Sponsorship (CoS)

## Licence application fee

There are two levels of sponsor licence application fee:

- Small company or charitable sponsors: £536
- Medium or large companies: £1,476

If you have charitable status or your annual turnover is £10.2 million or less, or you have 50 employees or fewer, you should be eligible to pay the lower sponsor licence fee. You will otherwise be liable for the higher rate.

You will need to pay the relevant application fee when you complete the online application form. It will not be refunded if your licence application is refused.

## Immigration skills charge

The Immigration Skills Charge is payable in full each time you assign a Certificate of Sponsorship.

The amount you pay will depend on the size and type of your organisation on the date you assign the worker's CoS, and the length of employment stated on the CoS.

If you are a small or charitable sponsor, with an annual turnover of £10.2 million or less, or fewer than 50 employees, you will pay the small charge:

- £364 for any stated period of employment up to 12 months, plus
- £182 for each subsequent 6-month period stated on the CoS

In all other cases, you must pay the higher charge:

- £1,000 for any stated period of employment up to 12 months, plus
- £500 for each subsequent 6-month period stated on the CoS

If the size of your organisation changes with the effect of altering your band, you will be under a duty to notify the Home Office within 10 working days as this will affect the amount you must pay for each CoS.

# Home Office site inspections

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Licence applicants should ready themselves for an immigration compliance visit from UKVI.

Once your submission has been received, UKVI will make an initial assessment of the information provided to determine if your application is low risk and can be decided accordingly on the basis of your submission alone.

UKVI will check and rate your application against the eligibility criteria, as well as the sponsor duties for personnel record-keeping, migrant tracking and monitoring, recruitment practices and Right to Work systems for the prevention of illegal working.

## Compliance visit

If there are any concerns about your application, Home Office officials may visit your premises to undertake a compliance audit and inspect your capabilities to meet the sponsor licence compliance duties.

Home Office inspections can be arranged in advance or, increasingly, they can be unannounced.

During the inspection, officials have powers to examine your personnel documentation and HR policies, systems and processes to ensure compliance and to verify the vacancy is genuine.

If the Home Office identifies compliance issues during the inspection, they could refuse your application.

Applicants are advised to prepare for a visit following submission of their application to ensure they are ready and in full compliance should the Home Office come calling.

## BE PREPARED

While drafting your application, we can conduct a mock audit on your premises and deliver training to your HR staff to ensure your business maintains 100% compliance with the licence duties.

# Application decision

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Following your application, and after your compliance visit if you have been inspected, the Home Office will make its decision.

## licence **GRANTED**

Once granted a Tier 2 sponsor licence, you can now start to assign Certificates of Sponsorship to migrants you want to sponsor in the UK. The CoS is a mandatory requirement for the individual's visa application. As a sponsor licence holder, you must now also ensure continued compliance with your new duties to avoid penalties and enforcement action.

## licence **REFUSED**

If UKVI does not consider your organisation is able to comply with the sponsorship duties, it may deny the application and you will be unable to hire non-EEA workers under Tier 2. Take advice on your options such as whether to start a new application, giving full consideration to the grounds for refusal.

# Application support

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DavidsonMorris offers employers a complete Tier 2 Licence application package which includes:

- Assistance with initial considerations as to the most appropriate type of sponsorship application
- Guidance on appointing key personnel
- Drafting your online application
- Helping you to collate the appropriate supporting documentation
- Auditing your HR systems and procedures in preparation for a Home Office visit
- Briefing or training staff on their duties and responsibilities
- Advising on the 'genuineness' test and assessing whether a prospective employee satisfies the points criteria before issuing a Certificate of Sponsorship
- Advising on the alternatives available to you if you decide not to apply for a sponsor licence

“DavidsonMorris is a highly-regarded provider of specialist immigration legal services.”

*The Legal 500 UK*

**Dm.**

**WE CAN HELP WITH YOUR APPLICATION**

Our business immigration specialists are on hand to support you and your business through this complex Home Office process.



## ABOUT DAVIDSONMORRIS

We are specialists in employment & immigration law and human resources and global mobility consultancy.

As employer solutions lawyers, we provide strategic consultancy and managed services that ensure businesses and HR practices are both fully compliant with legal requirements and effective in meeting their people-led business objectives.

Immigration  
Employment  
HR  
Global Mobility

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