

# Mobility: Immigration alert

October 2021



## United Kingdom

The Migration Advisory Committee publishes its report on the Intra Company Transfer route

### Executive summary

The UK Migration Advisory Committee recently published its [report](#) on the UK's Intra Company Transfer route.

### Background

In September 2020, the UK Home Office commissioned the Migration Advisory Committee (MAC) to undertake a study of the UK's Intra Company Transfer (ICT) immigration route. The ICT route is designed to support UK employers with bringing existing employees from overseas offices to the UK. The MAC was asked to consider the effectiveness of the ICT route and the Mode 4 provisions of the free trade agreements to which the UK has committed.

### Key findings of the MAC report

On 13 October 2021, the MAC published its findings and recommendations relating to the UK's ICT route. The key points to note are:

- ▶ The skills threshold for the ICT route should remain at the UK degree level of RQF6 or above (RQF6+)
- ▶ The salary threshold for the ICT route should be set at the median annual gross wage of occupations that are RQF6+ using data from the Annual Survey of Hours and Earnings (ASHE). The median annual gross wage of occupations that are RQF6+ is currently £42,400. This is higher than the current wage of £41,500
- ▶ All salary thresholds under the ICT route should be updated annually
- ▶ The salary threshold for the Intra-Company Graduate Trainee visa should be set at the same level as the

threshold for graduate entrants under the Skilled Worker route. This is the higher of either £20,480 or the "going rate" for the occupation with a 30% discount applied

- ▶ The high earner threshold should remain at £73,900. The threshold should be updated annually, using the growth rate of annual wages in all RQF6+ occupations, in line with all other thresholds
- ▶ The provision stating that high earners do not require a minimum of 12 months of overseas employment with their current employer should be maintained
- ▶ The provision that allows high earners to stay in the UK for a total of 9 years out of a 10-year period should be maintained
- ▶ The Immigration Skills Charge should continue to be levied on the ICT route, where trade agreements do not preclude this
- ▶ The UK Home Office must enforce the requirement for employers to provide a full breakdown of assignee allowances and consider what further monitoring of the allowances is proportionate
- ▶ The minimum overseas employment requirements should be maintained at their current levels (i.e., three months for the Graduate route and 12 months for the main route)
- ▶ The policy that ICT migrants are not required to demonstrate proficiency in the English language should be maintained
- ▶ The ICT route should be a route to settlement (e.g., permanent residence in the UK) without the need to switch to other routes to obtain settlement

- ▶ The current rules for switching routes, including the provision that switching is permitted from day one, should be maintained
- ▶ A trial visa scheme should be created to facilitate the process of bringing up to five employees of an overseas company to the UK for the purpose of setting up a UK branch or wholly owned subsidiary. The scheme should be limited to two years and allow applicants to switch to an alternative visa route (e.g., Skilled Worker) from within the UK
- ▶ A Secondment route should be created to help clients of UK export companies with sending employees to the UK to oversee requirements for goods and services being provided under contracts by the UK company. This route should be subject to the following criteria: (1) the contract value must exceed £50 million, (2) the overseas business must have been operating for at least 12 months, (3) visas should be issued for a maximum of 12 months with the possibility of a single renewal, and (4) dependent family members should be permitted to apply to stay in the UK

The MAC endorsed the view that the UK Home Office should explore: (1) how the UK's visit rules can be adapted to facilitate time-limited, essential work travel to the UK, and (2) the option of a short-term ICT route in conjunction with the consideration of expanded visit rules. The MAC's comments are in line with key recommendations in EY's joint [report](#) with TheCityUK and the City of London Corporation.

The MAC's recommendations are not binding on the UK Home Office. However, historically, there has been a strong correlation between the MAC's recommendations and subsequent UK Home Office policy announcements.

### **Key steps**

The UK Home Office is expected to deliver a formal response to the MAC's recommendations. EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

## EY | Building a better working world

EY exists to build a better working world, helping create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2021 Ernst & Young LLP.  
All Rights Reserved.

EYG no. 008908-21Gbl

2101-3682263  
ED None

**[ey.com](https://ey.com)**

### **Seema Farazi**

Partner - People Advisory Services, Global Immigration  
Tel: +44 20 7951 7122  
Email: [seema.farazi@uk.ey.com](mailto:seema.farazi@uk.ey.com)

### **Kellie Sullivan**

Director - People Advisory Services, Global Immigration  
Tel: +44 7876 877183  
Email: [kellie.sullivan1@uk.ey.com](mailto:kellie.sullivan1@uk.ey.com)

### **Charlotte Nicolas**

Manager - People Advisory Services, Global Immigration  
Tel: +44 20 7197 5228  
Email: [charlotte.nicolas@uk.ey.com](mailto:charlotte.nicolas@uk.ey.com)