

United Kingdom

Increase in compliance actions against sponsors

Executive summary

Recent data published by UK Visas and Immigration (UKVI) confirms that the number of actions taken against sponsors has significantly increased, in line with the UK government's stated focus on increasing organizational and individual compliance with local immigration laws and policies.

Background

Entities that hold a Sponsorship Licence in the UK can sponsor migrant workers subject to meeting specific requirements, including complying with UK laws and playing their part in ensuring the immigration system is not abused. Compliance checks (including pre- and post-licence visits, checks with other government departments and digital compliance checks) are an important tool employed by the UKVI to monitor sponsor compliance with these requirements. Failure to comply can lead to civil, and in some cases criminal, sanctions.

In January 2025, the UKVI published new <u>guidance</u> for caseworkers regarding how to make decisions on compliance cases. It is expected that the number of announced and unannounced visits to entities that hold UK Sponsorship Licenses is set to increase in 2025. This follows the trend observed in recent years toward increases in Sponsor Licence suspensions and revocations. This confirms that enforcement actions carried out by the UKVI are intensifying at an unprecedented rate and are expected to continue through 2025.

Key developments

Sponsorship transparency data published by the UKVI on 27 February 2025 reinforces that the number of actions taken against sponsors has increased significantly since 2023:

Number of Skilled Worker Licences Suspended

2023		2024	
2023 Q1	148	2024 Q1	309
2023 Q2	89	2024 Q2	524
2023 Q3	91	2024 Q3	509
2023 Q4	241	2024 Q4	351
Total	569	Total	1693

Number of Skilled Worker Licences Revoked

2023		2024	
2023 Q1	139	2024 Q1	210
2023 Q2	28	2024 Q2	499
2023 Q3	65	2024 Q3	513
2023 Q4	105	2024 Q4	272
<u>Total</u>	337	Total	1494

The numbers of Skilled Worker Licences Suspended or Revoked for 2025 are yet to be published, but the expectation is that they will remain high.



Sponsor duties

Sponsors are expected to fulfill their sponsorship duties in line with the requirements laid out in the <u>sponsor duties and compliance</u> <u>quidance</u>. These duties are essentially divided into five areas:

- Reporting duties: Sponsors must notify UKVI of any changes related to sponsored workers. Sponsors must also notify UKVI of changes in the sponsorship organization.
- Record-keeping duties: Sponsors must obtain and keep updated records of all documents listed in the relevant Appendix D guidance.
- Complying with immigration laws: Sponsors must comply with immigration laws and all sections of the Worker and Temporary Worker sponsor guidance.
- Complying with wider UK law (including employment law, National Minimum Wage, Working Time Regulations, etc.).
- Not engaging in behavior or actions that are not conducive to the public good: All sponsors have a responsibility to behave in a manner that is consistent with fundamental values and is not detrimental to the wider public good.

A sponsor is responsible for fulfilling certain duties from the day their licence is granted until the date they surrender their licence, or the date when the Home Office revokes their licence. UKVI has a duty to ensure sponsors discharge these responsibilities and, when necessary, conduct compliance actions when a sponsor has failed to adhere to their duties or otherwise poses a risk to immigration control. The UKVI primarily assesses:

- Whether a licensed sponsor is meeting their sponsorship obligations
- Whether a prospective sponsor has the necessary systems and procedures in place to meet their sponsorship obligations
- The accuracy of information given on the Sponsor Licence application
- Whether the sponsor is complying with their obligations to prevent illegal working

Identified cases of non-compliance may lead to one of the following outcomes:

- Refusal of a Sponsor Licence application, loss of current licence or reduction/suspension of their allocation of certificate of sponsorship (CoS) or confirmation of acceptance for studies (CAS)
- For Worker and Temporary Worker sponsors, downgrading to a B-rating and issuance of a time-limited action plan; for Student sponsors, issuance of a time-limited action plan
- Suspension or revocation of licence

During compliance checks, UKVI compliance officers carry out relevant checks and may interview the sponsor and any sponsored workers. Compliance officers may:

- Verify any information given in the Sponsor Licence application, including taking photographs of the location and premises
- Verify any information given in support of any worker's application for entry clearance or permission
- Check if the business is complying with all sponsor duties (or will be able to comply if the check is conducted before a licence application is adjudicated)
- Speak to any sponsored worker, including previously sponsored workers
- Speak to any employee involved in the recruitment of sponsored workers
- Inspect records and/or systems to ensure the business is meeting sponsor obligations and adhering to the rules

The <u>Sponsorship</u>: <u>guidance for employers and educators</u> lays out the penalties for organizations that fail to comply with their sponsorship duties, which can include:

- Inability to hire international talent
- Damage to business reputation
- Fines of up to GBP 60,000 per individual found to be working unlawfully

Impact on employers

Sponsors may ensure they understand their role and obligations to avoid civil and criminal liabilities and other significant business implications.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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Seema Farazi, Partner Global Immigration + 44 207 951 7122 seema.farazi@uk.ey.com

Denise Isaacs, Partner Global Immigration +44 207 980 9244 disaacs@uk.ey.com

Lisa Amos, Partner Global Immigration + 44 207 197 0817 lisa.amos@uk.ey.com

Anthony Michael, Partner Global Immigration 44 207 760 9413 anthony.michael@uk.ey.com Nikita Potdar, Director Global Immigration +44 20 7760 8208 nikita.potdar@uk.ey.com

Kellie Sullivan, Director Global Immigration + 44 207 806 9707 kellie.sullivan1@uk.ey.com

Caitlin Graham, Director Global Immigration +44 207 760 9332 cgraham2@uk.ey.com

Vicky Cregan, Director Global Immigration +44 20 7951 1897 vcregan@uk.ey.com