

Tier 1 Immigration Guide

Do you need help with a Tier 1 (HSMP) visa or require Tier 2 (Work Permit) Sponsorship?

If so Commonwealth Contractors may be able to help!
Call now on **0800 294 4388** or Submit your details via
www.CommonwealthContractors.com



Are you looking for an Expat Umbrella Company that:

- Offers truly exceptional standards of service
- May be able to help with a UK Work Permit or Tier 1 (HSMP) via OISC registered Immigration Partners
- Is fully HMRC and Home Office compliant
- Gives you a dedicated and experienced Account Manager
- Includes Professional Indemnity, Employers Liability and Public Liability Insurance
- Has vast expertise in dealing with Expat Contractors from Australia, South Africa, India and New Zealand
- Offers Cash Referral rewards
- Processes contract paperwork fast
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- Helps with NI Numbers, Bank Accounts, Loan Letters etc
- Conducts setup at convenient locations within London



If so call an experienced Account Manager now on 0800 294 4388 or submit your details via www.CommonwealthContractors.com

This Tier 1 Immigration Guide contains the following sections:

- What is Tier 1 of UK Immigration
 - Contracting on a Tier 1 Highly Skilled Migrant (HSMP) UK work Visa
 - Tier 1 Highly Skilled Migrant (HSMP) UK visa Applications for Freelance Contractors
 - Tier 1 Highly Skilled Migrant UK visa Application Overview
 - Tier 1 Highly Skilled Migrant (HSMP) UK visa Scoring Areas
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What is Tier 1 of UK Immigration?

Tier 1 of the Governments Points Based Immigration System is designed for highly skilled workers. The new Points Based Immigration System is a 5 tier scheme intended to modernise, strengthen and simplify UK Immigration. Tier 1 of the Points Based Immigration System includes the old Highly Skilled Migrant Programme (HSMP) which now effectively forms the 'General' sub category of Tier 1 Immigration. For the purpose of this guide this category will be referred to as Tier 1 (HSMP).

Tier 1 Work Visa holders are free to seek employment anywhere in the United Kingdom; there is no requirement to gain an offer of employment, unlike Tier 2 applications which are aimed at 'skilled workers', as opposed to 'highly skilled workers'. Holders are granted an initial 3 year stay which may be extended for a further 2 years upon approval. However not all applicants under Tier 1 Immigration are granted 3 years of stay. Post Study Workers are only granted 2 years, which is not extendable. Post Study Workers (formerly IGS visa holders) are expected to transfer to another Tier of the Points Based Immigration System in that time.

To find out more about the Tier 1 including the Tier 1 (HSMP) Work Visa call Commonwealth Contractors now on **0800 294 4388!**

Immigration Categories replaced by Tier 1

The Tier 1 Immigration category dramatically simplifies UK Immigration as it removes the Highly Skilled Migrant Programme (HSMP), Investors, Self Employed Lawyers, Businesspersons, Writers, Composers and Artists, International Graduates Scheme, Innovators and the Working in Scotland category.

Tier 1 Immigration Sub Categories

There are 4 subcategories within Tier 1 Immigration:

- Tier 1 (HSMP) Category: Designed for highly skilled workers that wish to work in the UK. It is effectively the same as the old Highly Skilled Migrant Programme (HSMP)
- Tier 1 (Entrepreneurs) Category: For those looking to invest £200,000 + in the UK
- Tier 1 (Investors) Category: For those looking to invest £1m + in the UK
- Tier 1 (Post Study Workers) Category: For graduates of UK Academic Institutions. This category replaces the International Graduate Scheme. Unlike the other sub categories the visa is only intended as a transitional route to another Immigration category.

Applying under Tier 1 Immigration

Candidates wishing to apply under Tier 1 Immigration must show that they have enough points to qualify. Points are awarded further to 3 categories:

1. Main Sub Category Scoring Areas: Each of the sub categories have specific points scoring areas, the pass mark for each is 75 points) e.g. The Tier 1 (HSMP) sub-category includes qualification, previous earnings, age, UK experience
2. Competence in English Language: Candidates wishing to apply under Tier 1 must have appropriate English Language skills
3. Maintenance: Candidates must be able to support themselves and their dependents without requiring access to public funds

In order to prove eligibility under the scheme the applicant must provide original documentation. Once approved successful applicants are awarded biometric visas.

Dependents of Tier 1 (HSMP) Work Visa Holders

Holders of Tier 1 (HSMP) work visas may bring their dependents to the UK so long as they can support them without requiring access to public funds. Dependents may take employment in the UK but are not permitted to switch to another points based immigration category.

Indefinite Leave to Remain

Time spent in the UK on a Tier 1 Immigration work visa counts towards Indefinite Leave to Remain. However this does not apply to Post Study Workers. Once 5 years have been completed in Tier 1 status an Indefinite Leave to Remain application may be made. Those who start in Tier 2 (including work permit) status and then move to Tier 1 status can include their Tier 2 time towards the 5 year requirement for Indefinite Leave to Remain

Contracting on a Tier 1 (HSMP) Work Visa

The Tier 1 (HSMP) work visa is the ideal long term work visa option for those wishing to work as a contractor in the UK as with the Tier 1 (HSMP) work visa you can work unrestricted for up to 5 years, after which time you can apply for Indefinite Leave to Remain.

This means you have complete freedom when it comes to using a structure to deal with contract income. You can either use an Umbrella Company solution (such as Expat Advantage) or go into business as a limited company contractor.

To discuss Umbrella Company solutions and going into business with your own Contractor Limited Company call Commonwealth Contractors now on **0800 294 4388!**

Umbrella Company Solutions

Expat Advantage, our expat umbrella company solution is ideal for those freelance contractors either inside IR35 or unwilling to have the hassles of going into business with a contractor limited company (and Australian nationals who may face additional ATO tax bills on UK dividends).

With Expat Advantage everything is done for you, all you have to worry about is sending timesheets and expenses, we do the rest. This means that you can concentrate on building a career in the UK rather than taking care of the mountain of paperwork associated with running a contract limited company. Contractors using Expat Advantage also benefit from a dedicated Account Manager and may be able to claim a number of business expenses for which UK nationals are not normally eligible.

Earnings received using an Umbrella Company may also be easier to assess when it comes to Tier 1 (HSMP) extensions as all income is paid using the Pay as You Earn Scheme and there is no need to set an artificially low salary.

To find out more about Expat Advantage, our Expat Umbrella company solution call Commonwealth Contractors now on 0800 294 4388!

Going into business with a Contractor Limited Company

If you hold a Tier 1 (HSMP) work visa you can become self employed, meaning you can go into business with your own limited company consultancy if you wish. This option should only be considered by those freelance contractors working on contracts outside IR35.

There are many advantages and disadvantages to going into business with a limited company. On the one hand you may be able to reduce class 1 National Insurance costs and may benefit from VAT savings under the Flat Rate Scheme. On the other hand you will find you have a lot more administration work and you may find it much more difficult to get a loan or mortgage, as well as having possible complications when extending your visa.

To find out more about going into business with a limited company call Commonwealth Contractors now on 0800 294 4388.

Tier 1 (HSMP) Applications and Freelance Contractors

Each year thousands of freelance contractors from Australia, South Africa and New Zealand travel to the UK on temporary work visas such as the Working Holidaymaker Visa. Many have aspirations of one day transferring to a long term UK work visa such the Tier 1 (HSMP) work visa. If you are one of these individuals you need to consider how the contracting solution you use while on the Working Holidaymaker Visa is going to affect any future Tier 1 (HSMP) application.

To discuss contracting options in detail call Commonwealth Contractors now on **0800 294 4388!**

Tier 1 (HSMP) Applications and Limited Company Contractors

To qualify for the Tier 1 (HSMP) work visa you need to score at least 75 points, 45 of which are available under the 'Previous Earnings' category. Freelance contractors running limited companies often find it difficult to prove previous earnings due to the income structuring involved with a limited company.

Contractors who run a limited company normally take a low salary (between £5-12k per annum), business expenses and the remainder of contract income as dividends. By taking dividends they avoid paying large amounts of Class 1 National Insurance (Employer's national Insurance is 12.8%, Employee's national Insurance is 1-11%) on salaried income. In terms of retention a limited company can be a good option for freelance contractors outside IR35, however if you intend to apply for a Tier 1 (HSMP) work visa setting an artificially low salary could cause you major headaches.

When considering Tier 1 (HSMP) work visa applications the Border and Immigration Agency need to see proof of income, normally in the form of payslips. However, if you run a limited company only a small proportion of your overall income will be salaried income as the majority will be in the form of dividends. Therefore in order to prove income you may have to supply some of the following documents:

- Personal Tax Return
- Personal Bank Statements
- Audited Company Accounts
- Business Bank Statements
- Copies of contracts detailing the contract rate
- Copies of Invoices confirming the contract rate
- Accountants Letter

Gaining these documents and proving income could add months to the overall Tier 1 (HSMP) work visa application and possibly restrict you from taking contract extensions, as the client/agent would wish to see a long term work status.

What contracting structure should I use if I intend to apply for a Tier 1 (HSMP) work visa?

If you intend to apply for a Tier 1 (HSMP) work visa you should consider using an umbrella company solution as it will save you a lot of time and effort when making a Tier 1 application.

At Commonwealth Contractors we have specifically tailored Expat Advantage to meet the needs of Expat contractors working in the UK. With Expat Advantage everything is done for you, all you have to worry about is sending timesheets and expenses. You benefit from a great retention rate, as it may be possible to claim relocation expenses such as flights and accommodation and a dedicated Account Manager who will look after you every step of the way. The most important thing for would-be Tier 1 (HSMP) applicants with

Expatriate Advantage is that you receive payslips proving actual salaried income (the employer may also be able to provide a letter to back up the Tier 1 (HSMP) work visa application).

Tier 1 Application Overview

Tier 1 is the highest level of the Governments 5 Tier Points Based Immigration System; it applies to 'Highly Skilled' migrants. Once approved a Tier 1 work visa will allow you to work unrestricted for an initial 3 years (whereupon, it can usually be extended by a further 2 years) unless you have applied as a Post Study Worker, in which case the visa is approved for 2 years and is not extendable.

There are 4 subcategories within Tier 1, namely:

- Tier 1 (General) – otherwise known as Tier 1 (HSMP)
- Tier 1 (Entrepreneurs)
- Tier 1 (Investors)
- Tier 1 (Post Study Workers)

Of these subcategories Tier 1 (HSMP) and Tier 1 (Post Study Workers) are suitable for professionals who wish to work as freelance contractors in the UK. However, if you hold a Tier 1 (Post Study Workers) visa you may consider switching to Tier 2 (Work Permit Employment) as soon as possible.

If you are considering working in the UK as a freelance contractor and would like to know more about the Tier 1 (HSMP) work visa call Commonwealth Contractors now on **0800 294 4388!**

Qualifying under Tier 1

To qualify under Tier 1 of the Points Based Immigration System you need to score the required number of points in 3 categories:

1. The Main Points Scoring Area (e.g. Qualifications, Previous Earnings, Age etc)
2. English Language
3. Maintenance

Under the points based immigration system applicants not only need to demonstrate that they are highly skilled individuals but also that they will be able to adapt to life in the UK and maintain themselves without the need access public funds. Therefore applicants must prove that they can communicate in English to a satisfactory level and have funds available to maintain themselves until they receive payment for work undertaken.

Tier 1 (HSMP) Scoring Areas

To qualify under for the Tier 1 (HSMP) visa you must score at least 75 points from the following 4 categories and score enough points to demonstrate that you have suitable English language skills and can maintain yourself and your dependents in the UK.

1. Educational Qualifications
2. Previous Earnings
3. Age Assessment
4. UK Experience

Please note that there is no longer an 'MBA Provision' for graduates of the top 50 business school. The Home Office now believes that people with MBAs should be able to qualify for a Tier 1 (HSMP) visa without the specific concession.

To prove your eligibility under Tier 1 (HSMP) you need to submit original documents for assessment, photocopies are not acceptable.

If you are considering applying for the Tier 1 (HSMP) visa in future or you would like to discuss what solution to use when you gain an Tier 1 visa (umbrella company or contractor limited company) call Commonwealth Contractors now on **0800 294 4388!**

Educational Qualifications

If you have one of the following educational qualifications you will score points under Tier 1 (HSMP). Unfortunately points are only awarded for one qualification so if you have 2 or 3 Bachelors Degrees you still only get 30 points.

Educational Qualification	Tier 1 (HSMP) Points
PHD	50 Points
Masters Degree	35 Points
Bachelors Degree	30 Points

For your qualification to score points it must be equivalent to that of a British qualification. Information is validated using the National Academic Recognition Information Centre Database (NARIC).

Previous Earnings

You can score up to 45 points for Previous Earnings.

Highly skilled applicants applying for the Tier 1 (HSMP) visa are expected to have earned highly skilled salaries in previous employment. Of course each country or region has a different highly skilled income band so your income is assessed upon where in the world you earned the income e.g. If you are from Canada and you earned income in Australia your income would be assessed in the Australian Band. There are 5 income bands in total labelled A to E, these are shown below.

Country Code A

Andorra; Aruba; Australia; Austria; Belgium; Bermuda; Canada; Cayman Islands; Channel Islands; Denmark; Finland; France; French Polynesia; Germany; Gibraltar; Guam; Hong Kong(Province of China); Iceland; Ireland; Italy; Japan; Kuwait; Liechtenstein; Luxembourg; Monaco; Netherlands; Norway; Qatar; San Marino; Singapore; Sweden; Switzerland; United Arab Emirates; United Kingdom; United States of America; Vatican

Previous Earnings	Tier 1 (HSMP) Points Scored
£16,000 +	5 points
£18,000 +	10 points
£20,000 +	15 points
£23,000 +	20 points
£26,000 +	25 points
£29,000 +	30 points
£32,000 +	35 points
£35,000 +	40 points
£40,000 +	45 points

Country Code B

American Samoa; Antigua and Barbuda; Argentina; Bahamas; Bahrain; Barbados; Botswana; Brunei Darussalam; Chile; Costa Rica; Croatia; Cyprus; Czech Republic; Estonia; Faroe Islands; Greece; Greenland; Grenada; Hungary; Israel; Korea(South); Latvia; Lebanon; Libya; Macao, (Province of China); Malaysia; Malta; Mauritius; Mexico; Netherlands Antilles; New Caledonia; New Zealand; Northern Mariana Islands; Oman; Palau; Panama; Poland; Portugal; Puerto Rico; Saudi Arabia; Seychelles; Slovak Republic; Slovenia; Spain; St Kitts and Nevis; St Lucia; Taiwan (Province of China);Trinidad and Tobago; Uruguay; Venezuela; Virgin Islands.

Previous Earnings	Tier 1 (HSMP) Points Scored
£7,000 +	5 points
£8,000 +	10 points
£9,000 +	15 points
£10,000 +	20 points
£11,500 +	25 points
£12,500 +	30 points
£14,000 +	35 points
£15,500 +	40 points
£17,500 +	45 points

Country Code C

Albania; Algeria; Belarus; Belize; Bolivia; Bosnia & Herzegovina; Brazil; Bulgaria; Cape Verde; China (Peoples Republic of); Colombia; Dominica; Dominican Republic; Ecuador; Egypt; El Salvador; Fiji; Gabon; Guatemala; Honduras; Iran; Jamaica; Jordan; Kazakhstan; Lithuania; Macedonia; Maldives; Marshall Islands; Micronesia; Morocco; Namibia; Nauru; Paraguay; Peru; Philippines; Romania; Russian Federation; Samoa; South Africa; St Vincent & The Grenadines; Suriname; Swaziland; Syrian Arab Republic; Thailand; Tonga; Tunisia; Turkey; Turkmenistan; Vanuatu; West Bank and Gaza.

Previous Earnings	Tier 1 (HSMP) Points Scored
£5,000 +	5 points
£5,600 +	10 points
£6,300 +	15 points

£7,200 +	20 points
£8,100 +	25 points
£9,100 +	30 points
£10,000 +	35 points
£11,000 +	40 points
£12,500 +	45 points

Country Code D

Angola; Armenia; Azerbaijan; Bangladesh; Benin; Bhutan; Cameroon; Comoros; Congo (Republic of); Cote d'Ivoire; Cuba; Djibouti; Equatorial Guinea; Gambia; Georgia; Guinea; Guyana; Haiti; India; Indonesia; Iraq; Kenya; Kiribati; Lesotho; Mauritania; Moldova; Mongolia; Montenegro; Myanmar; Nicaragua; Pakistan; Papua New Guinea; Senegal; Serbia; Solomon Islands; Sri Lanka; Sudan; East Timor; Ukraine; Uzbekistan; Vietnam; Yemen; Zambia; Zimbabwe.

Previous Earnings	Tier 1 (HSMP) Points Scored
£3,000 +	5 points
£3,400 +	10 points
£3,800 +	15 points
£4,300 +	20 points
£4,900 +	25 points
£5,500 +	30 points
£6,000 +	35 points
£6,600 +	40 points
£7,500 +	45 points

Country Code E

Afghanistan; Burkina Faso; Burundi; Cambodia; Central African Republic; Congo, (Democratic Republic of); Chad; Eritrea; Ethiopia; Ghana; Guinea-Bissau; Korea (North); Kyrgyz Republic; Lao; Liberia; Madagascar; Malawi; Mali; Mayotte; Mozambique; Nepal; Niger; Nigeria; Rwanda; Sao Tome and Principe; Sierra Leone; Somalia; Tajikistan; Tanzania; Togo; Uganda.

Previous Earnings	Tier 1 (HSMP) Points Scored
£1,400 +	5 points
£1,600 +	10 points
£1,800 +	15 points
£2,000 +	20 points
£2,300 +	25 points
£2,550 +	30 points
£2,800 +	35 points
£3,100 +	40 points
£3,500 +	45 points

Previous earnings are assessed before tax (gross) over a period of 12 consecutive months out of the 15 months immediately before the application. The total cumulative earnings in the period are then considered using the banding system detailed above. All bands are in Pounds Sterling so you will need to convert the currency in which you earned the income to calculate how many points you can claim. The exchange rate used to convert earnings should be the exchange rate on the date of the payslip.

Only earned income counts in the 'Previous Earnings' category. You should not consider rental income, bank interest, investment income etc as assessable income in this category.

To prove earned income you need to provide two pieces of evidence from the list below:

- Income Tax Return (not self assessment)
- Official Payslips
- P60
- Bank Statements
- Letter from Previous Employer confirming the salary you received

If you are a contractor please see the page 'Tier 1 (HSMP) Applications and Freelance Contractors'. The list above is not comprehensive and may change from time to time.

UK Experience

If you have previously studied or worked in the UK you can gain an additional 5 Tier 1 (HSMP) points. To qualify you must have:

- Scored points under the previous earnings category and the earnings were in the UK
- Studied and graduated at a Bachelors degree level or higher in full time education in the UK or at a UK based overseas educational establishment for at least one full academic year

The Age Assessment

Up to 20 Tier 1 (HSMP) points are awarded to young professionals in order to encourage them to take up a career in the UK and contribute towards the economy. Younger professionals also find it harder to score points under the Previous Earnings requirement compared to older professionals.

To score points in this category you must be within the age band when the Home Office receive the Tier 1 (HSMP) application. To prove age an original birth certificate or driving licence should be provided.

Age in years	HSMP Points
Under 28	20 points
28 or 29	10 points
30 or 31	5 points
32 and over	0 points

English Language

Hopeful Tier 1 (HSMP) candidates must gain 10 points for English Language. To do this applicant must prove that they have:

- Passed a test in English equivalent to C1 of the Council of Europe's Common European Framework for Language Learning, or
- Come from a majority English speaking country, or
- Have taken a degree taught in English (verified by NARIC)

Maintenance

Tier 1 (HSMP) applicants must be able to support themselves and their dependents while living in the UK. Where an application is made from outside the UK the candidate must be able to show that they have at least £400 to cover start up costs and £2,400 in disposable funds, meaning a total fund of £2,800 is required. The first dependent would be required to have 2/3 of the funds of the main applicant and any subsequent dependent would require 1/3.

Tier 1 (Entrepreneurs) Scoring Areas

The Tier 1 (Entrepreneurs) category is for people who wish to come to the UK to start a business. In order to gain an approval under the Tier 1 (Entrepreneurs) category you must score at least 75 points in the main sub category as well as scoring a satisfactory number of points in the English Language and Maintenance sections.

The Tier 1 (Entrepreneurs) category is not usually suitable for freelance contractors working in the UK. If you wish to work as a freelance contractor you should apply under the Tier 1 (HSMP) section. If you do not qualify under Tier 1 you may consider Tier 2 (Work Permit Sponsorship).

Once you have gained a Tier 1 (Entrepreneur) work visa you can come to the UK to take over, join, or establish a business in the United Kingdom. It is not possible for Tier 1 (Entrepreneur) work visa holders to work as self-employed or in a '1 man company' in the UK, as is allowed under Tier 1 (HSMP).

For more information on Tier 1 (Entrepreneur) work visa call Commonwealth Contractors now on **0800 294 4388!**

Main Tier 1 (Entrepreneurs) Sub Category - 75 Points

To qualify under the main Tier 1 (Entrepreneurs) sub category you need to score 75 points from the following 3 areas:

1. You must have access to £200,000 (25 Points Awarded)
2. The money should be held in a regulated financial institution (25 Points Awarded)
3. The money should be disposable in the United Kingdom (25 Points Awarded)

English Language Requirement – 10 points

To gain a successful Tier 1 (Entrepreneur) work visa approval you must have satisfactory English Language skills. The Home Office believes that for non-EEA nationals to successfully adapt to life in the UK and to gain suitable employment English Language skills are a vital.

To qualify under this requirement you must have:

- Passed a test in English equivalent to C1 of the Council of Europe's Common European Framework for Language Learning, or
- Come from a majority English speaking country, or
- Taken a Degree Qualification taught in English (verified by NARIC)

Maintenance

Tier 1 (Entrepreneurs) applicants must be able to support themselves and their dependents while living in the UK. Where an application is made from outside the UK the candidate must be able to show that they have at least £400 to cover start up costs and £2,400 in disposable funds, meaning a total fund of £2,800 is required. The first dependent would be required to have 2/3 of the funds of the main applicant and any subsequent dependent would require 1/3. Obviously this is a bit academic if you have £200k.

Bulgarians and Romanians

If you are a Bulgarian or Romanian national wishing to come to the UK to start a business you should apply for an ECAA visa rather than a Tier 1 (Entrepreneur). ECAA candidates do not need to invest the £200k required under Tier 1 (Entrepreneur) and may open a 1 man Limited Company, therefore allowing them to work as a freelance contractor in the UK.

Tier 1 (Investors) Scoring Areas

If you plan to apply for a UK visa under the Tier 1 (Investors) category you are not required to work in the UK although you may do so if you wish.

In order to qualify under the Tier 1 (Investors) category you must be prepared to invest serious money in the United Kingdom i.e. £1 million plus.

Tier 1 (Investors) Scoring Areas

Those wishing to qualify under Tier 1 (Investors) must score 75 points. Points are awarded to investors who either:

- Hold at least £1 million of their own money in a regulated financial institution and which is disposable in the UK (75 Points Awarded), or
- Own personal assets which exceed £2 million after liabilities, and holds money in a regulated financial institution, of which at least £1 million is disposable in the UK (75 Points Awarded)

Investors are exempt from the English Language and maintenance requirements as they should not need to work and candidates applying under the Tier 1 (Investors) category are likely to be extremely wealthy anyway.

Tier 1 (Post Study Work) Scoring Areas

The Tier 1 (Post Study Work) category is designed to make the UK a more attractive place to study and build a career for international students; it effectively replaces the old International Graduate Scheme (IGS), which in turn replaced the Science and Engineering Graduate Scheme (SEGS). The work visa allows graduates of UK Academic Institutions to stay on in the UK to work for up to 2 years. The visa is not extendable unlike other categories within Tier 1 and time spent on it does not count towards Indefinite Leave to Remain (at least not under the 5 year 'express' route to ILR linked to Tier 1 and/or Tier 2 stay in the UK).

The aim of the Tier 1 (Post Study Work) visa is to allow a transitional route to a long term UK work visa such as the Tier 1 (HSMP) work visa or a UK Work Permit (soon to be Tier 2 of the points based immigration system).

If you are considering working as a freelance contractor upon graduation and you would like to discuss your work visa options as well as finding a contract in the UK call Commonwealth Contractors now on **0800 294 4388!**

Main Tier 1 (Post Study Work) Scoring Area (75 Points Required)

There are four scoring areas within the Tier 1 (Post Study Work) category, these are detailed below:

Qualifications (20 Points Available)

You must have successfully obtained either a:

- Bachelors Degree, or
- Postgraduate Degree, or
- Postgraduate Certificate or Diploma, or
- HND from a Scottish Institution

The qualification must be a recognised UK qualification. Points are awarded only for a single qualification, if you have multiple qualifications you still only get 20 points.

UK Academic Institutions (20 Points Available)

20 points are awarded if you have graduated from a:

- UK recognised or listed body, or
- On the Tier 4 sponsors register (once implemented)

Existing Visa Status (20 Points Available)

20 points are awarded if you have obtained the qualification while in the UK on a:

- Student Visa (Tier 4 once introduced), or
- As a dependent of an individual with leave to remain who is permitted to have dependents in the UK

Application Timeframe (15 Points Available)

To gain 15 points you need to have made the application within 12 months of obtaining the qualification

English Language (Pass Mark 10 Points)

Applicants for the Tier 1 (Post Study Work) Visa are deemed to have met the English Language requirement if they qualify under the main scoring area.

Maintenance (Pass Mark 10 Points)

Tier 1 (Post Study Work) applicants must be able to support themselves and their dependents while living in the UK. Where an application is made from outside the UK the candidate must be able to show that they have at least £400 to cover start up costs and £2,400 in disposable funds, meaning a total fund of £2,800 is required. The first dependent would be required to have 2/3 of the funds of the main applicant and any subsequent dependent would require 1/3.

Tier 1 (HSMP Extensions) and ILR

Applications submitted under the Tier 1 (HSMP) category are approved for an initial 3 year period after which time the holder can apply for a 2 year extension. Once a full 5 years have been completed on the Tier 1 (HSMP) work visa without any more than 90 days out of the country in any one year the holder may apply for Indefinite Leave to Remain.

In order to gain a Tier 1(HSMP) extension you must re-qualify under the Tier 1 points based immigration system, meaning you must score 75 points from 4 scoring areas all over again. This could well be more difficult if you have been using a contractor limited company while contracting in the UK (this can make it more difficult to prove past earnings).

To discuss the best contracting solution to use while in the UK on a Tier 1 (HSMP) work visa call Commonwealth Contractors now on **0800 294 4388!**

Re-qualifying for the Tier 1 (HSMP)

To re-qualify for the Tier 1 (HSMP) you must once again secure 75 points by submitting original documentation to prove your eligibility under the Tier 1 (HSMP) category. However, original documents submitted in the initial application e.g. Bachelors Degree qualification, do not need to be re-submitted.

Applicants must not only gain a successful Tier 1(HSMP) approval but also qualify for Further Leave to Remain (FLR) in order to remain in the UK. Holders must also satisfy the English Language requirement but this should be no problem if you have been living in the UK for three years.

Tier 1 (HSMP Scoring) Areas

Educational Qualifications: Same as the original Tier 1 (HSMP) application. 50 points are available for a PHD, 35 points for a Masters degree and 30 points for a Bachelors degree. The special 'MBA provision', for graduates of the top 50 business schools in the world, has been abolished.

Previous Earnings: In order to qualify you need to submit documentary evidence showing previous earnings under Country Code A for at least 12 continuous months out of a maximum 15. If you are a contractor and you have been using an umbrella company solution this should be pretty straightforward as you can submit payslips. If you have run your own contractor limited company you may need to provide audited accounts.

UK Experience: If your original Tier 1 approval was for 12 months + you qualify for an additional 5 points if you can show at least £16,000 earned in the UK in that time

Age Assessment: Same as the original application although allowing for the fact you will be two years older.

What if I am not able to re-qualify under Tier 1 (HSMP)?

If you are unable to re-qualify for a Tier 1 (HSMP) extension your employer could submit a work permit application.

Tier 2 Work Permit Alternative

If you are a high level profession who is unable for whatever reason to score the 75 points required to gain approval in the Tier 1 (HSMP) category you may consider Work Permit employment.

Unlike the Tier 1 (HSMP) the Work Permit scheme (Tier 2 under the 2008 points based system) requires a job offer before a work permit application can be made. It is very important to understand that a work permit application is submitted by an employer to recruit a non EEA national where unable to recruit a resident worker. A work permit application can not be submitted by a worker.

If you have a job offer or you are interested in working for an International Consultancy that may where appropriate provide work permit sponsorship call Commonwealth Contractors now on **0800 294 4388!**

Working on Managed Projects

At Commonwealth Contractors we regularly work with a number of Consultancies that take on Managed Projects. These Consultancies are truly equal opportunities employers interested only in the skill and ability of the worker, nationality is irrelevant. In order to offer consultancy services in the most cutting edge technologies these consultancies recruit internationally for their Managed Projects and are prepared to provide work permit sponsorship where appropriate.

Most consultancies like PricewaterhouseCoopers and EDS operate on the basis of a staff cost of approximately one third of revenues (i.e. the fees the client has received for work delivered by the consultant). The consultancies that Commonwealth Contractors work with adopt a far more generous business model, agreeing a fixed margin for each project undertaken, typically around 25%. However, since the employer is required to pay Employers National Insurance contributions of 12.8% the actual underlying margin received by the consultancy is nearer half that. Therefore the pay and benefits received by a consultant typically account for 85% + of fees received from a client (unlike the one third received by PWC & EDS consultants!).

The situation is summarised below:

Type of company	Salary & bonus package for the fee earner	'Margin' retained by the company	Employer's NI costs (12.8%)
Traditional global consultancy	25-33% of billings	67-75% of billings	Covered by the company's 67-75% margin
Consultancy Company with inclusive fixed margin	75% -77.5% of billings	22.5% - 25% of billings	Covered by the company's 22.5 - 25% margin
Consultancy Company with exclusive fixed margin	85 – 87.5% of billings	12.5-15% of billings	Deducted from the 85-87.5% allocated to the individual's pay package