



Home Office

This guidance is for Innovator Founder and Scale Up endorsing bodies operating after 13th April 2023

Legacy endorsing bodies should refer to the following guidance: Legacy Endorsing Body Guidance



Home Office

Innovator Founder and Scale Up Visas: Guidance for endorsing bodies

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Introduction to endorsement for the Innovator and Scale-up routes

This guidance provides you with support in your role as an endorsing body within the Innovator visa Founder and Scale-up routes. Endorsement is based on the principle that it is you, rather than the Home Office, who are best placed to assess businesses and identify innovative business ideas and talent.

In this document, 'we', 'us' and 'our' refer to the Home Office. 'You' and 'your' refer to endorsing bodies. 'Visa' refers to any type of entry clearance, leave to enter or leave to remain.

There are two immigration routes that you, as an endorsing body, may issue endorsements for, as follows:

Innovator Founder

The **Innovator Founder** endorsement is for businesspeople seeking to establish an innovative, viable and scalable business in the UK.

Successful Innovator founders are granted leave for 3 years at a time and can bring their family members to the UK. After 3 years, Innovator founders can apply to extend their stay for a further 3 years or to settle permanently in the UK. Each of these 3 stages (initial application, extension, settlement) requires endorsement from an endorsing body.

Scale-up

The Scale-up endorsement is for UK businesses who cannot meet the Home Office's usual definition of a Scale-up business but can demonstrate clear potential/ability to do this in the next 4 years.

Scale-up businesses are granted a sponsor license for a maximum period of 4 years in duration. This license only allows them to sponsor individuals applying for a Scale-up visa, however, they can apply and hold other types of license (such as Skilled Worker). A business can only be granted a Scale-up license once and is unable to extend it beyond the maximum period of 4 years.

The role of endorsing bodies

As an endorsing body, you are required to:

Issue endorsements based on the criteria in this guidance. Your endorsement will be in the form of an endorsing letter (a template for which can be found in **Annex A** of this guidance), which the applicant/business will use to support their visa/sponsor licence application. You must also make available a copy of the endorsement letter via your portal and notify the Home Office.

Notifications should, depending on the type of endorsement, be sent to either:

InnovatorRoute@homeoffice.gov.uk

Or

ScaleUpendorsementletter@homeoffice.gov.uk

This is so the Home Office can easily assess whether or not an applicant is legitimate.

For Innovator endorsements, you will be required to:

- **Stay in contact** with the business founders you endorse at checkpoints after 12 and (in the Innovator category) 24 months and you must let us know if you are not satisfied with their progress or if a checkpoint is missed.
- **Issue further endorsements** for extension and settlement applications. In most cases, we expect innovators will be endorsed at these stages by the same body that endorsed their original application, but they may also be endorsed by a different body – for example, if the original endorsing body is no longer taking part in the category.

The role of the Home Office

We do **not** ask you to:

- **Make any immigration decisions.** Your role in endorsing applicants is to assess applicants' business or business ideas, their viability and to carry out a due diligence assessment. An endorsement is not a visa or a licence to sponsor migrants. Once an applicant/business has received an endorsement letter, they must use it to make an application to the Home Office. We will then carry out our immigration related checks against the applicant/business.
- **Police the immigration system.** While we require you to let us know if someone you have endorsed as an Innovator is no longer pursuing their business ideas or is missing a checkpoint, we do not expect you to monitor them continually. We will make the final decision whether to curtail a visa if an individual is not pursuing their business ideas.

How will applicants choose an endorsing body?

The organisations engaged as endorsing bodies are listed on the relevant page at Gov.uk. The list order will rotate on a quarterly basis for active Endorsing Bodies.

Managing enquiries

Endorsing bodies need to be aware that they may receive a significant number of applications, including speculative ones and ones relating to businesses which are not suitable for endorsement.

Immigration advisors and prospective applicants should not contact you with queries about immigration rules or policies, but it is likely that they might do. We would not expect you to answer such queries. You should refer them to the published information on gov.uk and to our contact channels. Prospective applicants can find details of how to contact us at <https://www.gov.uk/contact-ukvi-inside-outside-uk>, and immigration advisors can contact us BusinessHelpdesk@homeoffice.gov.uk.

Endorsement Reference Numbers

Endorsements must include secure endorsement reference numbers which you must include in the endorsement letters you issue. This helps to safeguard the categories against fraudulent endorsement letters being issued.

Each secure endorsement reference number is unique to a particular endorsement of a particular individual. It cannot be reused. The endorsement remains valid for 3 months after issue and the individual/business must use it to make an application for an Innovator visa or Scale-up sponsor licence during this time. If their application is unsuccessful for any reason, they can re-apply using the same endorsement, providing the 3 months has not yet expired and the endorsement has not been withdrawn.

If, however, an individual/business fails to make a successful application within 3 months, the endorsement will no longer be valid. You cannot re-use the same secure reference number, either for a fresh endorsement for that individual/business or to endorse someone else.

Applicants will need a new secure reference number each time you endorse them. For example, if you re-endorse someone so they can apply to extend their stay on the Innovator route after 3 years, and then again, a year later so they can apply to settle in the UK, they will need a new secure reference number on each occasion.

Endorsing applicants

Your endorsement will take the form of a letter, including a secure endorsement reference number and the applicant's personal details, as well as confirmation that they meet the endorsement criteria. For Scale-up endorsements, the letter will include a secure endorsement reference number and details of the business. A suggested template for endorsement letters is set out in **Annex A** of this guidance.

Types of endorsement

There are 4 types of endorsement:

1. Innovator Founder– new businesses: This type of endorsement is for those wishing to apply for an Innovator visa for the purposes of setting up a new company in the UK.

2. Innovator Founder– same business as previous endorsement: This type of endorsement is for those who have had leave in either the Start-up or Innovator categories and are continuing as a founder pursuing a previously endorsed business venture that was assessed in their previous endorsement that led to that grant of leave, or at a contact point with their endorsing body during that grant of leave.

Please note that applicants who were previously endorsed in the Start-up category can be endorsed under either option 1 or 2, depending on which criteria they meet.

3. Innovator Founder– settlement in the UK: This type of endorsement is for those who have spent **at least 3 years** in the Innovator category on the basis of founding their own business and have achieved a level of business success which meets the endorsement criteria for settlement. Please note that time spent in the Start-up category does not count towards the 3 years.

4. Scale-up endorsement: This type of endorsement is for UK businesses for which it is not possible to meet the Home Office definition of a Scale-up business but can demonstrate clear potential/ability to do this in the next 4 years. The businesses will already be established in the UK market and have a genuine need to recruit overseas workers through the Scale-up route to fill vacancies at RQF level 6+.

Team members: Innovator Founder

The applicants you endorse do not need to be the sole founder of their businesses and may be members of entrepreneurial teams. If other founding team members are also being endorsed under the Innovator category, this may affect some details of the endorsement criteria (see below for further details).

Innovator Founder Endorsement Criteria: New Business Criteria

All applications you endorse will need to be applicants who can demonstrate that they have a business venture which is Innovative, Viable and Scalable.

Innovative

The applicant must demonstrate to you that they have a genuine, original business plan that meets new or existing market needs and/or creates a competitive advantage.

When assessing if an application meets the innovative requirement, we expect you to consider the following core principles:

- business propositions should be able to demonstrate a clear and compelling unique selling proposition (USP) i.e. what is it about the product or service that differentiates it from its competitors?
- The concept for innovation within the business should demonstrate a business proposition that is not easily replicable by others / can demonstrate reasonable barriers of market entry to otherwise replicating their proposed innovation
- The innovation element should be core to the success of the proposed business proposition and be primarily delivered within the business

Business plan proposals that should not be considered as meeting the innovative standard include:

- Where the innovation element and associated research, design or implementation is largely outsourced to a third-party provider
- Generic businesses with an only incidental innovation proposition, for example a taxi or cleaning company “with an app”.

Example likely to meet innovative endorsement criteria

An applicant is part of a founding team spinning out a venture from a University research programme commercialising a new engine efficiency technology. The applicant can clearly articulate what the company’s R&D proposition looks like, can demonstrate a strong case for how their technology is new to the market and presents a clear route to commercialisation.

Example unlikely to meet the Innovation endorsement criterion

An applicant as a sole founder wants endorsement to set up an “EdTech” company where the innovation proposition is based on an “artificial Intelligence” focused platform that will teach a subject to under 18s. The applicant has no background in AI and has no supporting team member with competence in this field. The applicant

can say what the product is that they want to ultimately sell but has no specific grasp of how that would be achieved at a technical level and instead will outsource all the technical development in delivering this innovation to a third-party company to build the product on their behalf.

Viability

You must assess the following requirements as part of this criterion:

- the applicant's business plan must be realistic and achievable based on the applicant's available resources.
- The applicant must have, or be actively developing, the necessary skills, knowledge, experience and market awareness to successfully run the business

In considering these requirements you should consider:

- Does the applicant have access to sufficient funds to deliver the proposed business?
- Can the supporting financial projections be credibly defended?
- Can the applicant show they have appropriate skills, knowledge, and experience to credibly deliver the project?
- Is there credible demand for the business's proposed product/services?

Example: likely to meet the viability endorsement criterion

The applicant is launching a business developing and manufacturing a new medical device. The applicant can show rigorous and credible research around minimum set up costs such as the price of buying in tooling equipment, hiring technicians, and operating factory/laboratory space. The applicant can also show they have considered and researched market demand and pricing. The business has access to a sufficient level of funds and the financial forecasts can be properly defended. The applicant and any associated co-founders can show that the founding team has the necessary skills and knowledge to credibly be capable of successfully developing and delivering the product to market.

Examples: Unlikely to meet the viability Endorsement criterion

The applicant intends to create a new web portal for selling fashion accessories with an Artificial Intelligence-powered shopping assistant. The proposed financials appear generic and with little evidence of any research to set out specific detailed costings of minimum set up costs. The applicant has stated regarding the web portal set up that the platform will cost £20,000, When asked how much that will cost, they simply say this is what they have been told it will cost them. No budget has been allocated for ongoing essential run costs such as server rental. The applicant is a sole founder but has no technical expertise to take ownership of the product build.

Scalability

Scalability assessments must include:

- Evidence of structured planning demonstrating a credible path to growth
- potential for ongoing high quality and skilled job creation
- Scope for growth into national and international markets
- projections based on credible research

Example: Likely to meet the Scalability Endorsement Threshold

The applicant is launching a company manufacturing new recycling machines. The applicant can point to domestic and international recycling service providers it intends to market into. They have completed market research and can show evidence of the demand for their product. They articulate within their plan a credibly costed and researched approach to how production and sales can be scaled to serve demand.

Example: Unlikely to meet the Scalability endorsement threshold

The applicant wants to set up a company operating a food delivery app, ultimately the food delivery app is to be tied to the applicants own bricks and mortar fast food business, despite the fact that the company is operating an app given the applicant is primarily a fast food shop operator it is highly unlikely that this business will expand beyond the local area or be adopted as a system by other providers, rather this will for all intents and purposes be a local shop with a website.

Other New Business criteria

You will also need to assess, and confirm in your endorsement letter, that the applicant has:

- a business plan and has either generated or made a significant contribution to the ideas in that business plan;
- demonstrates that they will have a day-to-day role in carrying out the business plan;
- confirmed that they will have at least two contact point meetings with you at regular intervals during their period of permission; and
- is either the sole founder or an instrumental member of the founding team.

Factors you should consider as part of making these assessments will include:

- the circumstances surrounding the creation of the business venture and the applicant's role in that;
- the nature of the applicant's significant contribution;
- whether the applicant is able to offer a clear explanation as to how their skills and experience relate to specifically enabling the delivery of the innovation proposition within the business.

In particular, please note that the Innovator Founder route is not designed to facilitate *investment* into a pre-existing business – applicants should be *key/founding members* of the business who have generated the ideas in the business plan (or significantly contributed to them) and will be involved in the day-to-day role in carrying out the business plan.

In particular, you should be wary if the applicant's connection to a business has been arranged by any "investment matching" service provider. This is where an individual has had their involvement in a founding team arranged for them by a third party on the basis of them making an investment within that company. Such an applicant is unlikely to be a genuine founder/instrumental member of the founding team, nor likely to have generated or made a significant contribution to the ideas in that business plan. In certain cases, you may also want to consider whether there is even a "genuine" business plan for the purposes of determining the innovation requirement above.

Example: more likely to meet the requirements

The applicant has had a genuine involvement in the creation of the business plan for the company being founded; has a clear founding leadership role within the business; and it is clear that this individual has specific skills and knowledge necessary to the founding of that business. The applicant can talk in depth to the core innovative product and can credibly articulate what it is they have brought to the development of the business proposition, to the extent that early R&D has already been undertaken, with them having been significantly and materially involved in this, either undertaking or facilitating that process prior to seeking endorsement.

Example: Less likely to meet the requirements

While the applicant is providing funding to a business which they have joined late in its development, they have very limited incidental skills related to the business, such as having been an "administrator" and will ostensibly be involved as a "business development lead" or "HR" function. They have no serious independent grasp of the fundamentals of the business they are supposed to be founding and have not been present during early testing and research already carried out by the other founders on the companies proposed innovative product offering.

If any information comes to light after you have endorsed the applicant which may cast doubt on whether they are a genuine Innovator Founder applicant, please report this to the Home Office so that we can consider this as part of our scrutiny of the application.

Contact Point Meetings

See [Monitoring and reporting section](#) below for details of contact point meetings/checkpoint meetings.

Before endorsing an applicant, they must confirm that they will have at least two contact point meetings with you at regular intervals during their period of permission. You should not endorse an applicant if you do not think that they will attend (for example, if they have refused to say that they will attend or if they have previously failed to turn up to contact point meetings and there is reason to believe they will continue to fail to attend in future).

Innovator Founder Endorsement: Same Business Criteria

For this type of endorsement, your endorsement letter must confirm that you are satisfied the applicant has made significant progress in developing their business as follows:

- The applicant's business must be active, trading, and sustainable
- The applicant must have made significant progress against a previously endorsed business plan.
- The applicant's business must be registered with Companies House and the applicant must be listed as a director or member of that business.
- The applicant must be involved in the day-to-day management and development of their business.

Your endorsement letter must also confirm that you are reasonably satisfied the applicant will continue working on developing their business ventures and that the applicant is relying on their own business/investment plan. They must have generated the ideas in the plan (or made a significant contribution to those ideas) and must be responsible for executing the plan.

There is no limit to the number of times an applicant can be endorsed for this type of application, but you should expect to see further progress and achievements at each stage, not that the business has merely kept going in the same state as it was when the previous endorsement was given.

Innovator Founder Endorsement: Settlement Criteria

In order to be eligible for settlement applicants will need to have:

- held leave as an Innovator migrant for at least 3 years
- shown significant achievements, judged against the business plan assessed in their previous endorsement; and
- registered the endorsed business with Companies House and the applicant is listed as a director or member of that business
- the endorsed business must be active and trading; and
- the business must continue to appear to be sustainable for at least the following 12 months, based on its assets and expected income, weighed against its current and planned expenses; and
- the applicant must have demonstrated an active key role in the day-to-day management and development of the business;

They will also need to meet the Innovator Founder success criteria.

Success criteria

The applicant must meet at least two of the success criteria set out below. An applicant cannot qualify by relying on the same criterion twice. For example, an applicant who has invested £100,000 (2 x £50,000) in their business venture will be considered to have met 1 criterion, not 2 criteria.

1. £50,000 investment

At least £50,000 has been invested into the business and actively spent furthering the business.

You should be able to identify a cash injection that has been made by or clearly secured by the applicant into their business.

2. Customer base increase

The number of the business's customers has at least doubled within the most recent three years and is currently higher than the mean number of customers for other UK businesses offering comparable main products or services.

To validate this success criteria, the applicant will need to show that they have doubled their customer base in the last 3 years and currently have a number of customers higher than the mean for other comparable UK businesses. The applicant will need to be able to provide you with credible evidence that this has been achieved - for example through comparison with industry data sources. In the absence of available comparable customer numbers from competitors then credible

market share analysis demonstrably showing that the company has obtained an above mean average share of their market will also be acceptable.

3. Research and Development

The business has engaged in significant research and development activity and has applied for intellectual property protection in the UK.

When considering this success option, it is important that both parts of this provision are met (ie that significant research has gone into the intellectual property protection application). For this reason, you should not consider IP types that have not demonstrated the significant research and development component.

Examples:

Not acceptable:

- Filing for trademark on branding

Acceptable:

- Filing of patent for a new battery technology with evidence of verified and demonstrated new developments advancing the underpinning science in this field.

Not Acceptable

- Registering for IP protection for a shoe design where development is purely artistic (no significant research and development activity associated), it should be noted that purely “customer research” surveying on styling will not be sufficient in meeting the bar.

Acceptable

- Registering a design patent for a shoe where the design incorporates advances in ergonomic performance supported by scientific trials such as peer reviewed control trials.

Non patentable IP

Some new developments cannot be patented. In cases where a new product or service has been developed through genuine and credible research and development by the applicant’s business an endorsing body can consider the Research and Development criteria to be met if all of the following can be established:

- Significant research and development activity has been delivered within the creation of the relied upon development for example lab research followed by control trials.
- There is evidence of credible peer reviewed research outputs evidenced in credible peer reviewed academic or industry journal articles demonstrating the

applicant/their company is responsible for the relied upon discovery/advance within this area of science.

- The Applicant is able to demonstrate how they have viably commercialised this technology for the purpose of their business.

Examples

Acceptable

A company has developed a new testing technology for early-stage diagnosis of a cancer and they intend to sell testing kits to public and private healthcare providers worldwide. They can show that they have been first to publish on the new technology in a prestigious medical journal and the endorsing body has verified that the company has engaged in sustained lab research and testing to develop the product and demonstrate that it works.

Not Acceptable

A company has created a new manual for the provision of a sports recovery training programme. Whilst the manual brings together a number of different sports science practices under a new “brand identity” with a manual that has been copyrighted, it does not in itself involve the development of significant new primary research or advances in any of the underlying science. Research is limited to secondary research by way of literature reviews and the merger of techniques the applicant has learned when attending a couple of professional courses. Beyond the copyright there is no wider Intellectual property associated to the business.

4. Gross Revenue Increase

The business has generated a minimum annual gross revenue of £1 million in the last full year covered by its accounts.

The accounts considered must be prepared by a UK regulated accountant. The applicant will need to provide two years-worth of accounts to enable you to carry out this assessment (The last full year before settlement application demonstrating the rise in gross revenue and the previous year acting as the base line).

5. Gross Revenue with overseas export

The business is generating a minimum annual gross revenue of £500,000 in the last full year covered by its accounts, with at least £100,000 from exporting overseas

You should verify gross revenue via credible evidence such as accounts provided by a UK regulated accountant showing £500,000 in gross revenue and then seek additional information to compliment the accounts (invoices, shipping manifests etc) to demonstrate overseas exports.

6. Job Creation

The business has created the equivalent of at least 10 full-time jobs for settled workers

Or

the business has created the equivalent of at least 5 full-time jobs for settled workers, each of which has a mean salary of at least £25,000 a year (gross pay, excluding any allowances).

Each job must have existed for at least 12 months and comply with all relevant UK legislation, including (but not limited to) the National Minimum Wage Act 1998 and the Working Time Regulations 1998.

Each job must involve an average of at least 30 hours of paid work per week, but two or more part time jobs held by different employees that when combined add up to 30 hours per week will represent the equivalent of a single full-time job, as long as each of the jobs has existed for at least 12 months; and

A job will be considered to be one job for a settled worker if the worker met the definition of settled worker in the rules in force at the time they started the job, and they remained employed for the whole claimed 12-month period, even if they ceased to be a settled worker at a later date.

Innovator Founder Teams and Settlement

If the business has other team members who are applying for, or have been granted, this type of endorsement, they cannot share the same means of meeting these criteria. For example, if 2 applicants are both relying on the requirement to have created 10 jobs, 20 jobs must have been created in total.

For innovator teams the same intellectual property **cannot** be relied upon by multiple migrants. Where intellectual property is used in two applications within the same business, each must be able to demonstrate clearly different R&D projects leading to the development of a further product. Each product relied upon must clearly have required significant research and development in its own right and not simply represent a subcomponent of a larger filing relied upon by another team member.

Due Diligence assessments

Before issuing any endorsement, you must undertake appropriate due diligence checks to ensure that the applicant is a fit and proper person whose source of wealth is legitimate and that any funds associated with the applicant's endorsed business activities can also be legitimately accounted for.

Source of wealth and Funds: Innovator Founder Applications

- That you have no concerns over the legitimacy of sources of funds invested by the applicant into their business .
- That you have no concerns over the legitimacy of modes of transfer of funds invested by the applicant into their endorsed business
- that you have identified no reason to believe that the applicant or their endorsed business may be the beneficiary of illicit or otherwise unsatisfactorily explained wealth

Fit and proper person: all Innovator Applications

You must run appropriate checks utilising suitable due diligence systems to ensure there is no immediate reason to believe the subject of endorsement has engaged in activities that would make them unsuitable for endorsement. This should include:

- Identifying if an applicant is a Politically Exposed Person (PEP)- and if they are, making suitable further enquiries to understand if this presents an unacceptable level of risk of corruption or other criminality.
- Ensure there is no readily available information to suggest the applicant is subject to any prior convictions or has been the subject of any serious civil proceedings for example civil recovery proceedings related to corruption.
- Check to ensure that the applicant is not known to have previously been struck off as a director in the UK and carry out reasonable searches to check that there is no readily available information to suggest the applicant has been struck off as a director in their country of origin or any third country or disbarred from carrying out regulated financial activities.
- That the applicant has not been the subject of any serious criminal or civil judicial decision that would impact on their suitability, for example tax evasion, corruption, or money laundering.
- There is no information to suggest that the applicant is currently under investigation for any criminal or serious civil investigations including tax evasion, corruption, or money laundering.
- The applicant is not under UK sanctions. You must also carefully consider whether an applicant who is a current or recent senior employee of an entity sanctioned by the UK is a fit and proper person to receive endorsement.

In addition to your checks, you should seek a declaration from the applicant to confirm if any of the above apply to their circumstances.

Risk Approach

The risk tolerance approach to onboarding an application **must be set at a very low tolerance**. If you are unable to satisfy yourself that the applicant is a fit and proper person who will not bring the route into disrepute, **you must refuse the endorsement**.

You should also be appropriately satisfied that the means by which any funds relied upon for the business will be transferred to the UK are legal and appropriate.

If the applicant's business is being funded by a third party, you must not endorse the applicant if that third party funding is from an unexplained or potentially illicit source or if the third-party involvement is likely to cast doubt on the fit and proper status of the applicant.

You are responsible for your own due diligence decision making and you must not rely on assurances from the applicant's legal representatives or financial institutions.

Electronic copies of all due diligence documentation and records of assessment and decision making must be securely maintained and made available for inspection by the Home Office.

Home Office checks

On receiving an application for an Innovator visa the Home Office will carry out its own checks related to character and conduct. This consideration is distinct from the Endorsing Bodies endorsement assessment and will take place only after the Endorsing Body assessment and must not be relied upon by the Endorsing Body in potentially mitigating risks within its own assessment.

The Home Office has a range of powers set out under the General Grounds for Refusal under the Immigration Rules to refuse cases where an applicant's presence would be non-conducive to the public good. The Home Office also has specific powers in relation to Innovator applications to refuse cases where it has reason to believe that the applicant may fall for refusal under the immigration rules including under the General Grounds for Refusal.

Scale-up Endorsement Criteria

All applications you endorse will need to be for businesses that are already established in the UK. The endorsement pathway is intended to complement the core route, which requires businesses to have a sustained growth requirement assessed over the 3 years immediately prior to their application. Given this, the expectation is that the endorsement route is only for those businesses that have existed for less than 3 years and are therefore genuinely unable to provide the evidence normally required to meet the definition of a scale-up and is not for businesses that have existed long enough to be able to meet this evidential requirement but lack sufficient growth.

Mandatory requirements for endorsement as a Scale-up

When considering whether to endorse an application for endorsement under the Scale-up route you must be satisfied that the business meets all the following requirements:

1. Must have a minimum of 10 employees paid by PAYE
2. Must be VAT registered
3. Must be solvent and trading in the UK
4. Must have a HMRC footprint of less than 4 years
5. Must be able to demonstrate potential growth rate consistent with the requirements of the Scale-up route and be reasonably expected to meet the Home Office definition of a Scale-up in the next 4 years.
6. Must have sufficient finance to offer appropriate salaries to individuals working in roles equivalent to RQF 6
7. Must have a UK registered corporate bank account

Additional requirements

In addition to the mandatory requirements, you must be satisfied that the business meets meet **at least three** out of the following criteria:

1. **Growth:** a business has exhibited more than 20% growth in revenue or employment per year over a two-year period
2. **Participation in relevant Government programme or receipt of relevant Government funding:** a business has participated in a recognised scale-up programme (e.g., Innovate UK EDGE, DCMS Creative Scale-up); received an Innovate UK loan or grant; participated in the Small Business Research Initiative.
3. **Finance:** a business has raised a minimum of £1million in equity finance in a single round in the last 12 months.

4. **International:** a business has global offices or operations and generating a minimum threshold of 10% of turnover from exports.
5. **Research and Development expenditure:** a business's expenditure on research, development or innovation is either 10% of overall operating costs per year for three years or 15% in one of the last three years

Supporting evidence

Mandatory Requirement	Suggested Evidence
Minimum of 10 employees paid by PAYE	<p>Evidence of Registration with HM Revenue & Customs (HMRC) as an employer to pay PAYE & National Insurance.</p> <p>Proof of PAYE Reference Number & Accounts Office Reference Number.</p> <p>HMRC payroll for last year.</p> <p>PAYE reference numbers for employees, Contracts of employment</p>
Be VAT registered	<p>HM Revenue & Customs (HMRC) VAT registration certificate confirming VAT registration number and 'effective date of registration'.</p>
Solvent and trading in the UK	<p>Registered with Companies House, Accounts,</p> <p>Company Tax returns</p> <p>Check Companies House website for:</p> <ul style="list-style-type: none"> • the business, to see whether: <ul style="list-style-type: none"> ○ the organisation has ceased trading ○ the organisation is in administration ○ the directors have been struck off • the business/company contact details, to see whether: <ul style="list-style-type: none"> ○ the applicant uses a web-based email address, such as Hotmail or Yahoo, rather than one with the company name in the address

	<ul style="list-style-type: none"> ○ the telephone number is an 0870 or mobile number, rather than local to the area ○ the length of time the company has been trading <p>Check the insolvency registers for England, Wales, Scotland and Northern Ireland, regardless of where the business is currently based.</p> <p>Check for disqualified company directors on GOV.UK.</p>
HMRC footprint of less than 4 years	HM Revenue & Customs (HMRC) VAT registration certificate confirming VAT registration number and 'effective date of registration'
<p>Demonstrate potential growth rate consistent with the requirements of the Scale-up route</p> <p>These could include:</p> <ul style="list-style-type: none"> • That a business has a viable plan, with strong and capable management/founding team, to achieve a high growth rate consistent with the requirements of the Scale-up route • That a business can demonstrate a sufficiently innovative/competitive edge or market gap to deliver as a scale-up in the relevant business market 	<ul style="list-style-type: none"> • Business plans and evidence of market research conducted • Evidence of Government funding • Contracts • Evidence of any recruitment campaigns that have been run by the business, in the UK in the last 12 months or that they plan to run in the next month. <p>Potential employment growth will be considered in line with the approach set out in the Guidance for Sponsors: sponsor a Scale-up workers.</p> <p>This sets out that employment growth is assessed based on an average monthly employment across a 12-month period. Where employment is seasonal it is not sufficient to demonstrate that there will be the required increase in employees at a single point in time, this must be an expected growth over the sustained period</p>
Finance to offer appropriate salaries to individuals working in roles equivalent to RQF 6	<p>Current financial report or 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:</p> <ul style="list-style-type: none"> • Chartered Institute of Management Accountants (CIMA) • Chartered Institute of Public Finance and Accountancy (CIPFA)

	<ul style="list-style-type: none"> • Association of Chartered Certified Accountants (ACCA) • Association of Consulting Actuaries (ACA) <p>Where the business has not legally been required to produce audited accounts:</p> <ul style="list-style-type: none"> • unaudited accounts, sometimes called management accounts • an accounts compilation report from a suitably regulated accountant <p>The accountant must have a valid licence to practise or practising certificate and must be a member of a recognised UK supervisory body</p> <p>Business bank statements</p> <p>Evidence of funding</p>
UK registered corporate bank account	<p>Evidence that the business has a current, corporate bank account with a bank registered by both the Financial Conduct Authority and the Prudential Regulation Authority in the UK. This can be in the form of:</p> <ul style="list-style-type: none"> • Bank statements; or • Letter from the corporate banking provider, setting out the dealings it has had with you, including the nature and duration of those dealings

How to issue an endorsement

Before you endorse someone, they must give you their consent to allow you to:

- For Innovator Founder: monitor their progress in establishing a business and carry out contact point evaluations.
- For all endorsement applications: share their endorsement letter and other information relating to their business and endorsement application with the Home Office, where this is necessary for you to meet your responsibilities as an endorsing body

We recommend that you ask for this consent in writing and keep a copy for audit purposes

Your endorsement takes the form of an endorsement letter, which you can issue as a formal printed letter or electronically. A suggested template is included at **Annex A** of this guidance.

The endorsement letter must contain:

- (i) Your name as the endorsing body
- (ii) the endorsement reference number, which must be a previously unused reference number from your allocation of places
- (iii) the date of issue (we will only accept visa applications from letters dated within the last 3 months, so you may also wish to include a date of expiry)
- (iv) the applicant's name, date of birth, nationality and passport number
- (v) a short description of the applicant's business venture and the main products or services it provides (or will provide) to its customers
- (vii) confirmation that the applicant's business venture meets the endorsement criteria for the type of endorsement being given (see earlier sections)
- (viii) details of a named contact at your organisation who will verify the contents of the letter to us if requested

When you issue an endorsement letter to an applicant, you must also send a notification to InnovatorRoute@homeoffice.gov.uk or [\[SCALE UP email address to follow\]](#) (depending on the type of endorsement). This is so we can check your portal to verify that the letter is genuine without necessarily having

to contact you each time. If you do not send us a copy, the applicant's visa application may be refused.

4. Monitoring and reporting

As well as considering and issuing endorsements, you must carry out checkpoint monitoring meetings (referred to in the Rules as “contact point meetings”) with endorsed applicants and carry out other monitoring and reporting duties set out below.

Innovator: Founder Checkpoints

For each Innovator Founder, whether their application was in relation to a new or same business, you will need to carry out monitoring checkpoints at regular intervals. We require that you carry out two checkpoint meetings as close as practicably possible to 12 and 24 months after the grant of permission their arrival into the UK following their grant of permission.

Core responsibilities

At each checkpoint you should collect appropriate evidence to ensure that endorsed founders are making progress against their endorsed business plans. Checkpoints should consider relevant data such as sales growth, job creation, IP creation, investment obtained etc.

Where business plans or the proposed approach have evolved you should critically evaluate this to ensure development is logical and justified and that the business strategy continues to operate to the same standard of suitability for endorsement. If they are no longer pursuing their original business ideas, they must be pursuing new business ideas that are also innovative, viable and scalable.

You should consider withdrawal of your endorsement if an applicant fails to attend a checkpoint without your authorisation or if they are unable to demonstrate the above.

On site visits

At either the 12- or 24-month checkpoint, you must carry out an on “site visit” to the applicant’s business premises. This should be the business’s main trading premises. Should the applicant be working within a shared office space or within an incubator or accelerator, then the on-site inspection may take place here if there are no other trading premises associated with the applicant.

During the onsite visit you should seek to check that necessary equipment, personnel and related resources needed for the business physically exist and are available to the applicant. You should ensure that active steps to implement the endorsed innovation elements of the original business proposition have been undertaken and you should record what evidence has been observed.

Where no trading premises exist, this must be logged and reported to the Home Office. You should make enquiries into how the endorsed business is expecting to

progress and scale without premises. If at the 24-month point, there are no premises associated with the applicant, consideration should be given to whether the business is credibly scaling and withdrawing the endorsement.

If you do not believe that it is possible to conduct a site visit either due to safety concerns or due to the absence of an existing site, you should contact the Home Office for further guidance.

Scale-up

You are not required to undertake any checkpoint action on businesses endorsed under the Scale-up route.

What happens if you withdraw your endorsement from an individual?

You should withdraw an endorsement if:

- An applicant fails to stay in contact with you as requested.
- You discover that applicant has not been developing their business.
- An applicant's business has failed and they do not wish to start another business, or the business they intend to start is not, in your judgement, innovative, viable and scalable.

In any of the above scenarios you must e-mail us within 10 working days at InnovatorRoute@homeoffice.gov.uk. You must include the applicant's details and the reason why you are withdrawing your endorsement from them.

If you withdraw an endorsement before a visa application has been granted, that application will be refused.

In most cases, the application will have already been granted and the applicant will already have spent some time on their visa. Once an endorsement has been withdrawn, we will consider curtailing the visa. The final decision for this rests with us. It is an immigration decision that we do not ask endorsing bodies to take on.

We will take account of the particular reason for withdrawing the endorsement in deciding whether to do this with immediate effect, or to allow the individual to retain part of the remaining duration of their visa. If the individual has already passed their last checkpoint with you, and has not broken any of their visa conditions, we may decide not to curtail their visa.

Contact details

If you have any queries or suggestions relating to any of the endorsement criteria, or anything else set out in this guidance, you can contact our policy team at Tier1reforms@homeoffice.gov.uk.

If you have any practical queries, you can also contact the operational teams for these categories at InnovatorRoute@homeoffice.gov.uk or ScaleUpendorsementletter@homeoffice.gov.uk

Please note that these e-mail addresses are for endorsing bodies other queries will not receive a reply. Individual applicants and immigration advisors should refer to the information and contact details on the gov.uk website:

- <https://www.gov.uk/start-up-visa>
- <https://www.gov.uk/innovator-visa>
- <https://www.gov.uk/contact-ukvi-inside-outside-uk>
- BusinessHelpdesk@homeoffice.gov.uk (for immigration advisors)

Annex A: Endorsement letter templates

This template is provided as an example only. You do not have to use this format, providing your endorsement letters contain all of the necessary information. You are encouraged to include as much relevant information as possible, to assist caseworkers considering an application. Further details regarding an applicant's involvement in a business and how it is demonstrated they are a key/founding member, for example, would be beneficial.

When you issue an endorsement letter, you must make an electronic copy available and notify us at InnovatorRoute@homeoffice.gov.uk or ScaleUpendorsementletter@homeoffice.gov.uk (depending on the type of endorsement).

Dear [*applicant's name*]

This letter confirms that you have been endorsed for a UK [**Start-up / Innovator**] visa application.

<u>Applicant's details</u>	
Name:	Nationality:
Date of birth:	Passport number:
<u>Endorsement details</u>	
Endorsement reference number:	
Date of issue:	Date of expiry:
Name of endorsing body:	
Name of authorised person:	
Work address:	
E-mail:	Telephone:

Further details of your endorsement are set out overleaf.

In applying for this endorsement, you consented for an electronic copy of this letter to be sent to the Home Office as part of your visa application process, and agreed to confirm its contents at their request.

Please note that this endorsement letter does not confer any immigration status or right to work in the UK. This letter is only valid for an application made to the Home Office within 3 months from the date of issue Details of how to apply can be found on the gov.uk website.

[Signature of authorised person of the endorsing body]

Further details of endorsement:

Applicant's name:

Names of any entrepreneurial team members who are also being endorsed:

Name of applicant's business:

Business sector:

Short description of the business and its main products or services:

Have any key challenges or risks been identified in the business plan, if so how have these issues been resolved by the applicant?

Short description of the applicant's role in founding the business:

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Due Diligence Mandatory Requirements	Yes	No
The applicant is on available evidence considered a fit and proper person to receive endorsement under the rules and guidance of the Innovator Founder route		
The endorsing body has identified no reason to believe that the applicant or their endorsed business may be the beneficiary of illicit or otherwise unsatisfactorily explained wealth.		
The endorsing body has identified no concerns over the legitimacy of sources of funds or modes of transfer of funds invested by the applicant into their endorsed business		

[COMPLETE / DELETE THE FOLLOWING SECTIONS AS APPLICABLE]

Type of endorsement: **Innovator (new business)**

Criteria (mandatory)	Y	N
Innovation – The applicant has a genuine, original business plan that meets new or existing market needs and/or creates a competitive advantage.		
Short description of how the applicant meets this requirement:		
Viability – The applicant's business plan is realistic and achievable based on the applicant's available resources. The applicant has the necessary skills, knowledge, experience and market awareness to successfully run the business described above.		

Short description of how the applicant meets this requirement:		
Scalability – There is evidence of structured planning and of potential for job creation and growth into national and international markets.		
Short description of how the applicant meets this requirement:		
[Name of endorsing body] is satisfied that the applicant will spend their entire working time in the UK on developing business ventures.		
[Name of endorsing body] is satisfied the applicant is either the sole founder of the business or an instrumental member of the founding team, including when the business has already begun trading in the UK.		
[Name of endorsing body] is satisfied the applicant is relying on their own business plan. The applicant must have generated the ideas in the plan (or made a significant contribution to those ideas) and must be responsible for executing the plan.		
[Name of endorsing body] is able to confirm that applicant has sufficient investment funds available to them.		

Checkpoint Monitoring	Yes	No
The applicant has agreed to attend 12 and 24 month checkpoints to assess their business progress.		

Type of endorsement: **Innovator (same business as established during their previous endorsed leave)**

Criteria (mandatory)	Y	N
The applicant has shown significant achievements, judged against the business plan assessed in their previous endorsement.		
The applicant, during their previous period of leave and with permission and agreement from [Name of Endorsing Body] , has changed business venture and continued to develop this new business.		
Short description of achievements since previous endorsement:		

The business is registered with Companies House and the applicant is listed as a director or member of that business. Companies House number: <input type="text"/>		
The business is active and trading.		
The business appears to be sustainable for at least the following 12 months, based on its assets and expected income, weighed against its current and planned expenses.		
The applicant has demonstrated an active key role in the day-to-day management and development of the business.		
Short description of the applicant's role in the business:		
[Name of endorsing body] is reasonably satisfied the applicant will spend their entire working time in the UK on continuing to develop business ventures.		

Checkpoint monitoring	Yes	No
The applicant has previously attended their 12 and 24 month checkpoint meetings.		
The Applicant has agreed to further checkpoint monitoring at 12 and 24 months during their next grant of leave.		

Type of endorsement: **Innovator – settlement in the UK**

Criteria (mandatory)	Y	N
The applicant has shown significant achievements, judged against the business plan assessed in their previous endorsement.		
Short description of achievements since previous endorsement:		
The applicant's business is registered with Companies House and the applicant is listed as a director or member of that business. Companies House number: <input type="text"/>		
The business is active and trading.		
The business appears to be sustainable for at least the following 12 months, based on its assets and expected income, weighed against its current and planned expenses.		
The applicant has demonstrated an active key role in the day-to-day management and development of the business.		
Short description of the applicant's role in the business:		
[Name of endorsing body] is reasonably satisfied the applicant will spend their entire working time in the UK on continuing to develop business ventures.		

Criteria (optional, must meet at least 2)	Y	N	Further information
At least £50,000 has been invested into the business and actively spent furthering the business plan assessed in the applicant's previous endorsement.			Amount invested:
The number of the business's customers has at least doubled within the most recent 3 years and is currently higher than the mean number of customers for other UK businesses offering comparable main products or services.			No. of customers:

Criteria (optional, must meet at least 2)	Y	N	Further information
The business has engaged in significant research and development activity and has applied for intellectual property (IP) protection in the UK.			What IP protection has been applied for:
The business has generated a minimum annual revenue of £1 million in the last full year covered by its accounts.			Annual revenue in last accounts:
The business is generating a minimum annual revenue of £500,000 in the last full year covered by its accounts, with at least £100,000 from exporting overseas.			Annual revenue in last accounts: Revenue from exporting overseas:
The business has created the equivalent of at least 10 full-time jobs for settled workers, which have existed for at least 12 months.			Jobs created and salaries:
The business has created the equivalent of at least 5 full-time jobs for settled workers, which have existed for at least 12 months and have a mean salary of at least £25,000 a year (gross pay, excluding any expenses).			Jobs created and salaries:

Any other relevant information:

Scale-up Endorsement letter template

Dear [*Name of contact and scale-up business*]

This letter confirms that you have been endorsed as a potential scale-up business. In order to sponsor individuals on the Scale-up route you will need to apply and be granted a sponsor licence from the Home Office.

Scale-up company details

Name:

Address:

Companies House reference number:

Name of Proposed Authorising Officer:

Endorsement details

Endorsement reference number:

Date of issue: Date of expiry:

Name of endorsing body:

Name of authorised person:

Work address:

E-mail: Telephone:

Further details of your endorsement are set out overleaf.

In applying for this endorsement, you consented for an electronic copy of this letter to be sent to the Home Office as part of your sponsor licence application process and agreed to confirm its contents at their request.

Please note that this endorsement letter does not confer any rights to employ overseas workers in the UK. This letter is only valid for a sponsor licence application made to the Home Office within 3 months from the date of issue. Details of how to apply can be found on the gov.uk website.

[*Signature of authorised person of the endorsing body*]