



Home Office

Workers and Temporary Workers: guidance for sponsors

Part 3: Sponsor duties and compliance

Version 08/26

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About this guidance

This document forms part of the collection '[Workers and Temporary Workers: guidance for sponsors](#)'. It provides guidance for employers and organisations who hold a sponsor licence under the Worker and Temporary Worker routes of the immigration system on how to meet your sponsor duties and the action we will take if you breach, or are suspected of breaching, these duties.

When considering your compliance with the sponsorship scheme, we will take into account your behaviour and actions in relation to both the current Worker and Temporary Worker routes, and their predecessor routes.

[See the glossary](#) for a definition of the terms 'Worker routes' and 'Temporary Worker routes'.

Other guidance you must read

To make sure you meet all of the relevant requirements and fulfil your sponsorship duties, you must also read the following parts of the sponsor guidance, in addition to this document:

- Part 1: Apply for a licence – this contains detailed information on how to apply for a sponsor licence and how we assess applications
- Part 2: Sponsor a worker – this contains detailed information on how to sponsor Workers and Temporary Workers, including how to request and assign Certificates of Sponsorship, immigration requirements, and conditions of stay
- the appendices to this guidance (Appendix A, Appendix B and Appendix D)
- the relevant route-specific guidance for the route, or routes, on which you are sponsoring, or intend to sponsor, workers
- the glossary – this contains definitions of terms used through the sponsor guidance (including this document)

This guidance is subject to change. If you have printed or downloaded a copy of this guidance, check the version number and date on GOV.UK to ensure you are using the most up-to-date version.

Contacts

If you think the guidance has factual errors or broken links, you can email the [Business Helpdesk](#).

If you have read this guidance, and the relevant route-specific guidance, and you still have any queries, you can call us on 0300 123 4699 or email the [Business Helpdesk](#).

Version number and publication

Below is information on the version number of this guidance and when it was published:

- version 08/26
- published on 28 August 2026

You can view [previous versions of this guidance](#) on the National Archives website.

Changes to this guidance

This version replaces version 05/26 (published on 20 May 2026). Details of the changes are set out below:

- C2.4: new bullet point added to reflect the phasing out of Level 2 Users – see section L4 of [Part 1: Apply for a licence](#) for full details of this change
- C5: section retitled 'Inactive sponsor licences' and new text added inviting inactive sponsors to surrender their licence
- C7.27: text added to reference the extension of the right to work scheme to other working arrangements for relevant employment commencing on or after 1 October 2026
- Annex C2(i), Annex C2(k): updated to reflect that the cooling-off period will not apply where the sole reason for revocation is due to the process for inactive SMS User accounts described in section L4 of Part 1: Apply for a licence
- Annex C3(f): updated to reflect the introduction of mandatory multi-factor authentication for SMS Users from 3 September 2026 – see section L4 of Part 1: Apply for a licence for further details; the residual reference to the trial 'Sponsor UK' service has been deleted
- other minor housekeeping changes

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C1. Your sponsor duties

This section tells you about your duties and expected behaviours as a sponsor of workers on the Worker and Temporary Worker routes.

- C1.1. This section applies to all Worker and Temporary Worker sponsors. You must also refer to the [route-specific guidance](#) for information on any specific duties you must meet on the route, or routes, on which you are sponsoring workers.
- C1.2. This document reflects current policy but can change at any time. We will let you know of any change through the sponsorship management system (SMS) message board.
- C1.3. As a licensed sponsor, you are required to read all parts of the sponsor guidance (Parts 1, 2 and 3, the appendices, relevant route-specific guidance and glossary) and to remain aware of its content, including any changes we make to it.

Guiding principles

- C1.4. Participation in the sponsorship scheme is voluntary and sponsors seek membership for their own benefit. Membership is subject to the strict terms contained within this guidance. Sponsors should be aware that a licence is held at the broad discretion of the Home Office and can be terminated at any time. A licence creates no property or other enforceable right. The scheme provides for the Home Office to act decisively – including the ability to revoke or suspend a licence – where there are reasonable grounds for suspecting that a breach of the sponsor guidance has occurred.
- C1.5. Sponsorship is a privilege not a right. The sponsorship scheme reflects that those who benefit directly from migration (employers, education providers or other organisations who bring in overseas nationals) should play their part in ensuring the immigration system is not abused. Significant trust is placed in sponsors and they must ensure they comply with immigration law and wider UK law, and not behave in a manner that is not conducive to the wider public good.
- C1.6. To achieve these aims, all licensed sponsors must fulfil certain duties. Some of these duties apply to all sponsors, whilst others are specific to those licensed on certain routes.
- C1.7. The objectives of these duties include, but are not limited to:
 - preventing abuse of immigration laws and sponsorship scheme
 - capturing early any patterns of behaviour that may cause concern
 - addressing possible weaknesses in process which can cause those patterns

- monitoring compliance with the Immigration Rules, all parts of the Worker and Temporary Worker sponsor guidance, and wider UK law (such as employment law)
- ensuring sponsors do not behave in a way that is detrimental to the wider public good

When do my sponsor duties start and end?

- C1.8. Your responsibilities as a sponsor start on the day we grant your licence and will continue until:
- you [surrender your licence](#)
 - we make your licence dormant (for example, when you have been taken over by another organisation)
 - we [revoke your licence](#)
- C1.9. However, we reserve the right to take into account actions or behaviours (including immigration abuse, criminal conduct, or behaviour not conducive to the public good) that have occurred during any time, including while you did not have a sponsor licence.
- C1.10. Your responsibility for each worker you sponsor starts on the date you assign a Certificate of Sponsorship (CoS) to them and ends as soon as any of the following events occurs:
- you withdraw the CoS, or we cancel it, before it's used in application for entry clearance or permission (see section S6 of [Part 2: Sponsor a worker](#) for further information on withdrawing and cancelling CoS)
 - the worker's permission expires (unless you have assigned them a new CoS)
 - the worker's permission lapses while they are outside the UK, unless you assign them a new CoS or the worker is eligible to re-enter the UK with the same CoS under the Creative Worker visa concession (see 'Leaving and re-entering the UK' in section S7 of [Part 2: Sponsor a worker](#) for further information on when permission lapses)
 - you tell us you have stopped sponsoring the worker for any reason
 - if you are sponsoring a [Scale-up Worker](#), 6 months after the date the worker's entry clearance becomes effective (the 'valid from' date on their visa) or the date the worker is notified of a grant of permission

What are my sponsor duties?

- C1.11. Your duties as a licensed sponsor include:
- [reporting duties](#)
 - [record-keeping duties](#)
 - [complying with our immigration laws](#), including all parts of the Worker and Temporary Worker sponsor guidance
 - [complying with wider UK law](#)

- not engaging in behaviour or actions that are [not conducive to the public good](#)
- C1.12. These are described in more detail below. If we reasonably suspect that you are failing to comply with your sponsor duties, we may take action against you. This can include any of the following sanctions:
- reducing your CoS allocation or setting it to zero
 - downgrading your licence rating
 - suspending your licence while we investigate further
 - revoking your licence
 - reporting you to the police or other relevant authorities

Reporting duties

- C1.13. You must report certain changes that affect your sponsored workers or your organisation within the time limits set out below:
- changes to a sponsored worker's circumstances – unless otherwise stated, you must report these changes within 10 working days of the relevant event occurring
 - changes to your organisation, as set out in [section C2](#) of this guidance – unless otherwise stated, you must report these changes within 20 working days of the relevant event occurring
- C1.14. You must also, as soon as reasonably practicable:
- tell us if you know or suspect a worker you are sponsoring has breached their conditions of stay (see section S8 of [Part 2: Sponsor a worker](#) for information on conditions of stay)
 - give the police any information that suggests any worker you are sponsoring on any route may be engaged in terrorism or criminal activity

Change of worker's circumstances

- C1.15. You must report the following changes to a sponsored worker's circumstances by no later than 10 working days after the relevant change or event has occurred, or as otherwise specified below – click on the links for further information on each type of change:
- a sponsored worker does not start the role for which you are sponsoring them within 28 days – see section S3 of [Part 2: Sponsor a worker](#) for detailed information on start dates and what you must do if the start date is delayed
 - a sponsored worker is [absent from work without your permission](#) for more than 10 consecutive working days
 - a sponsored worker is absent from work without pay, or on reduced pay, for more than 4 weeks in total in any calendar year (or during the period you are sponsoring them if they are a Scale-up Worker) – see section S4

of [Part 2: Sponsor a worker](#) for more information on your responsibilities if a worker is absent from work without pay, or on reduced pay

- a sponsored worker's salary or pay is otherwise reduced from the level stated on their CoS – see section S4 of [Part 2: Sponsor a worker](#) for more information on salary reductions (you do not need to report increases in salary, unless you have been sponsoring a pre-registration nurse or midwife, and they have now completed registration – see section SK9 of [Sponsor a Skilled Worker](#) for further information)
- there are significant changes to the details of the worker's employment (other than those which require a change of employment application), such as:
 - a change of job role, job title or core duties, or a promotion, provided the change is within the same occupation code and all of the conditions in paragraph S9.10 of [Part 2: Sponsor a worker](#) ('Different role in the same occupation code') are met
 - a change listed in paragraph S9.17 of [Part 2: Sponsor a worker](#) ('Exceptions: change of employment application not required')
- a sponsored worker's [normal work location changes](#)
- you [stop sponsoring a worker](#) for any reason
- if you are [sponsoring an offshore worker](#), the dates they arrive in and leave UK waters
- any additional [route-specific changes](#) not otherwise referred to above

C1.16. Unless otherwise stated below, you must report these changes using the 'Report migrant activity' function in the SMS. For guidance on how to do this, see [SMS Manual 9: reporting worker activity](#).

C1.17. If you are reporting that you are no longer sponsoring a worker, or the worker has been absent from work without your permission, you must also tell us the last recorded residential address and contact telephone number for the worker, and any personal email addresses you have for them.

C1.18. You should be aware that any information you report about a worker's non-attendance, non-compliance or disappearance may be used to cancel their permission or take enforcement action against them.

Worker is absent without permission

C1.19. You must tell us if a worker you are sponsoring has been absent from work without your permission for more than 10 consecutive working days – you must do this even if you intend to continue sponsoring the worker. You must make the report by no later than 10 working days after the 10th day of absence.

C1.20. You should include the following information in your report:

- the date the unauthorised absence started
- if the worker has since returned to work, the date they returned
- if the worker has not returned to work, details of any attempts you have made to contact the worker

- whether you have made, or will be making, any salary deductions for the period of unauthorised absence, and what those deductions are
- whether you intend to continue sponsoring the worker

Change of work location

- C1.21. You must tell us if a sponsored worker's normal work location (as recorded on their CoS) changes. This includes where:
- the worker is, or will be, working at a different branch of your organisation, or a different client's site, not previously recorded on their CoS
 - the worker is, or will be, working remotely from home on a permanent or full-time basis (with little or no requirement to physically attend a workplace)
- C1.22. There are additional actions you need to take if a worker will be moving to work for a branch or related organisation (such as a subsidiary, parent company or sister company of yours) not currently registered as a branch on your licence – see 'Working for a different branch or related organisation' in section S1 of [Part 2: Sponsor a worker](#) for further information.
- C1.23. We recognise that many organisations have adopted a 'hybrid working' model, where their workers work remotely (from either their home or another remote site, such as a work hub space) on a regular basis, as well as regularly attending a 'traditional' work location (such as one or more of your offices or branches, or a client site). You do not need to tell us if a sponsored worker is moving to a hybrid working pattern but you must continue to report any changes to their main office work location, or of any new client sites, if applicable, and maintain suitable records of your sponsored workers' working patterns.
- C1.24. You must, however, tell us, via your SMS account, if any sponsored worker is, or will be, working entirely remotely, with little or no requirement to attend your premises or a client site (a contractual home worker). In these cases, we reserve the right to ask you to explain why you need to sponsor the worker to come to the UK if (for example) they could work remotely from their home country.
- C1.25. You do not need to report day-to-day changes in work location (for example, if a worker occasionally works at a different branch or site, or from home). You need only tell us about changes to their regular working patterns.

You stop sponsoring the worker

- C1.26. You must tell us if you stop sponsoring a worker for any reason – for example:
- you become aware the worker's application for entry clearance or permission has been refused, or their permission has been cancelled,

and any administrative review of, or appeal against, that decision has finally been determined

- the worker decides not to take up the post, or you withdraw the job offer
- the worker's contract of employment or contract for services ends earlier than the date shown on their CoS
- any professional registration or accreditation the worker is legally required to hold to work in the UK in their sponsored employment (such as GMC registration for a doctor) is withdrawn
- the worker is absent from work without pay, or on reduced pay, for more than 4 weeks and this absence is not covered by any of the exceptions specified in section S4 of [Part 2: Sponsor a worker](#)
- you become aware the worker has been granted settlement (indefinite leave to remain), or permission on an immigration route that does not require sponsorship
- the worker resigns or is dismissed, or is made redundant
- we tell you a change in the details of the worker's employment or salary you have reported is not permitted

Additional duties if you're sponsoring an offshore worker

- C1.27. A person is an 'offshore worker' if they arrive directly in UK waters for the purpose of work without first entering through the UK landmass. Like other workers, an offshore worker must apply for, and be granted, entry clearance or permission before they arrive in UK waters for the purpose of working in those waters.
- C1.28. The [Immigration \(Offshore Worker Notification and Exemption from Control \(Amendment\)\) Regulations 2023](#) impose a duty, from 12 April 2023, for an offshore worker (or their sponsor, if they have one) to notify the Secretary of State when they arrive in and leave UK waters.
- C1.29. If you are sponsoring an offshore worker, you must notify us of the dates when that worker both:
- first arrives in UK waters at the beginning of the job for which they are being sponsored
 - leaves UK waters at the end of the job for which they are being sponsored
- C1.30. You must make the relevant notification both:
- no earlier than the date the worker arrives in or leaves (whichever is relevant) UK waters
 - no later than 10 working days after the date the worker arrives in or leaves (whichever is relevant) UK waters
- C1.31. You must report this information through your SMS account. You must include the following information in your notification:
- the date the offshore worker arrived in, or left, UK waters (as appropriate)

- the name of the ship or vessel on which the offshore worker will be based
 - the method by which the offshore worker left UK waters (for example, by ship or aircraft)
- C1.32. You do not have to notify us if the worker temporarily leaves UK waters (for example, to take a holiday or as part of their employment) during a period of valid permission, provided you correctly notify us of their initial arrival and eventual departure (as set out above). If, however, the worker obtains a new grant of entry clearance before returning to UK waters, you must notify us of their arrival following the process set out above.
- C1.33. If you are employing an offshore worker who does not need to be sponsored, the offshore worker is responsible for notifying the Secretary of State of their dates of arrival and leaving. They must make this notification each time they arrive in and leave UK waters. See the [Offshore workers guidance](#) on GOV.UK for further information.
- C1.34. Notification of an offshore worker's arrival is not required if the worker passes through immigration control on the UK landmass before they arrive in UK waters (but, if you are sponsoring the worker, you must record their date of entry, in line with your record-keeping duties in [Appendix D to the sponsor guidance](#)).
- C1.35. We may revoke your sponsor licence if you fail to comply with these reporting duties. Where an unsponsored offshore worker is required to make the notification and fails to do so, we may cancel their permission and refuse any future application for permission to enter or stay in the UK.

Additional duties for specific routes

- C1.36. You should read the relevant [route-specific guidance](#) for any additional reporting duties or responsibilities you may have for the route, or routes, on which you are sponsoring workers. These include, but are not limited to, the following:
- if you are sponsoring a Scale-up Worker, you must tell us the date they actually start working for you, as set out in section SC3 of [Sponsor a Scale-up Worker](#)
 - if you are sponsoring an overseas qualified nurse or midwife on the Skilled Worker route, you must tell us the date they complete their NMC registration, or if they fail to achieve NMC registration within the 8-month time-frame, as set out in section SK9 of [Sponsor a Skilled Worker](#)
 - if you are sponsoring a UK Expansion Worker, and your Authorising Officer (AO) assigned their own CoS, there are certain actions you must take when the AO has been granted permission to enter the UK – see section GBM3 of [Sponsor a Global Business Mobility Worker](#)
 - if you are sponsoring a Creative Worker below school-leaving age, you have additional safeguarding responsibilities for those workers, as set out in section CRW2 of [Sponsor a Creative Worker](#)

Record-keeping duties

- C1.37. You must keep certain documents for each worker you sponsor. [Appendix D](#) of the sponsor guidance lists these documents and how long you must keep them. The documents can be kept in paper or electronic form. If kept electronically, you must make sure that all the relevant parts of the document are visible as described in Appendix D.
- C1.38. You must give us, when asked, any documents relating to your sponsored workers or the running of your organisation that we consider relevant to assessing your compliance with your duties as a sponsor. We might, for example, ask for details of your recruitment practices to ensure you are recruiting responsibly for eligible roles, or meet any resident labour consideration or equivalent test where this is or was a requirement. If you fail to provide the documents when asked or within the timeframe we specify, we will take action against you.
- C1.39. If you sponsor a child aged under the age of 18, you must keep a copy of a consent letter from their parents or legal guardian, or just one parent if that parent has sole legal responsibility for the child. This should contain their consent to the child's application, and to the child's travel, reception and care arrangements in the UK. Children aged 16 and 17 have the legal right to live independently in the UK, and may make their own arrangements for accommodation, but they need the consent of their parent, parents or legal guardian to do this, as well as consent to travel to the UK if applying from overseas.
- C1.40. Some of the documents you must keep as part of your sponsorship duties may also need to be kept for other purposes and, in some cases, for a longer period than that which required for sponsorship purposes (for example, to comply with legislation on [preventing illegal working](#)). You must meet any legal requirements for record keeping set by us or another government department.
- C1.41. You must also be aware of your responsibilities under the Data Protection Act 2018 and the General Data Protection Regulation (GDPR). The Information Commissioner's Office publishes [detailed guidance on the GDPR](#).

Complying with our immigration laws

- C1.42. You must comply with our immigration laws and all parts of the Worker and Temporary Worker sponsor guidance. To do this, you must:
- only sponsor workers who are appropriately qualified, registered or experienced to do the job or will be by the time they begin the job – for example, if the worker will be sponsored as a doctor, you must make sure they have the correct registration that allows them to practise legally in the UK

- keep a copy of any registration document, certificate or reference that confirms they meet the requirements of the specific job, and give this to us on request – we may request further information or evidence from you or the worker to confirm this requirement is met
- not sponsor workers if they do not have the experience or qualifications to do the job in question, and stop employing or engaging workers who, for any reason, are no longer entitled to do the job
- ensure any worker you sponsor or employ has the legal right to work for you and do the work in question by carrying out the appropriate [right to work checks](#)
- not assign a CoS for a role which does not meet the specific eligibility criteria for the route or otherwise meet the definition of ‘eligible role’ [in the glossary](#) – if you do, we reserve the right to suspend or revoke your licence
- ensure the actual role of the sponsored worker accurately matches the role and job description for which you have assigned the CoS
- only allow the worker to undertake the roles permitted by the conditions of their stay – see the section S8 of [Part 2: Sponsor a worker](#) for further information
- only assign a CoS to a worker if you are satisfied they intend to, and are able to, fill the role
- only assign a CoS to workers who you believe will meet the immigration requirements of the route on which you propose to sponsor them, and are likely to comply with the conditions of their permission – see sections S7 and S8 of [Part 2: Sponsor a worker](#) and the relevant route-specific guidance
- not allow a sponsorship management system (SMS) user to assign their own CoS or assign a CoS to someone who is a close relative or partner of theirs ([see the glossary](#) for a definition of ‘close relative or partner’)
- disclose (by adding a sponsor note) if you know, or can reasonably be expected to know, that an SMS user has assigned a CoS to a close relative or partner of anyone else within the sponsor organisation
- where relevant, understand and fulfil your responsibilities in relation to the Academic Technology Approval Scheme (ATAS) requirement
- not attempt to recoup sponsorship fees, or associated administrative costs, from a sponsored worker where expressly prohibited in this guidance – see ‘Sponsorship fees’ in section L6 of [Part 1: Apply for a licence](#) for further information

Matching the job role with the occupation code and job description when assigning a CoS

- C1.43. The effective operation of the sponsorship scheme is based on sponsors being trusted to ensure that the sponsored role accurately reflects the details set out in the relevant CoS. This trust is assured by a strict compliance regime.
- C1.44. When applying for or assigning a CoS, you must ensure that the occupation code and job description accurately matches the role for which you intend to

sponsor the worker, and once the CoS is assigned to a worker, you are responsible for ensuring that their role in practice corresponds to these. The duration stated on the CoS must be an accurate reflection of the expected duration of the role. You must not exaggerate the duration of the role to enable the worker to be granted a longer period of permission.

- C1.45. We may request additional information or evidence from you or the worker to ensure these requirements are met, and may refuse the worker's application if this is not provided within our deadline and/or take compliance action against you.
- C1.46. If the worker's role changes after they have been granted permission, and that change does not require a change of employment application, you must inform us within 10 working days of the change. See section S9 of [Part 2: Sponsor a worker](#) for details of permitted changes.
- C1.47. If we discover that a sponsored worker is working in a role that does not match the occupation code or job description for which the CoS was assigned, and this is not a permitted change as described above, this will be a mandatory ground for revocation of your sponsor licence.

ATAS requirement for certain roles

- C1.48. If you are sponsoring a worker on the Skilled Worker, Global Business Mobility, Government Authorised Exchange, International Agreement or Scale-up routes, you must check, and confirm on the CoS, whether that worker requires an Academic Technology Approval Scheme (ATAS) certificate. If they do:
- you should advise the worker to [apply for an ATAS certificate](#) from the Foreign, Commonwealth and Development Office (FCDO) as soon as possible, as they will need to include a copy of their certificate with their application for entry clearance or permission to stay
 - when the worker has received their ATAS certificate, you must make and retain a copy of the certificate, or of the electronic approval notice the worker received from the FCDO
 - you must not continue to sponsor the worker if they either refuse to apply for an ATAS certificate, or their application for an ATAS certificate is refused by the FCDO

See 'ATAS requirement' in section S7 of [Part 2: Sponsor a worker](#) for further information.

ATAS condition for non-sponsored visiting academic researchers

- C1.49. Academic researchers can come to the UK as [Visitors](#), without being sponsored, in some circumstances. For further information on who is eligible, see under the heading 'science, research and academia' in the [Visit casework guidance](#) on GOV.UK.
- C1.50. All non-sponsored visiting academic researchers (other than 'exempt

nationals') who are carrying out or taking part in research at postgraduate level or above in a relevant subject area must hold an ATAS certificate before they begin any such research. [See the ATAS guidance](#) on GOV.UK for further information on who needs an ATAS certificate.

- C1.51. As a matter of best practice, we recommend you keep a copy of the ATAS certificate of any such visiting researcher, in the event that there are wider compliance concerns around the general principle for sponsors to uphold the integrity of the immigration system and prevent abuse.
- C1.52. Visiting researchers who fail to obtain an ATAS certificate before starting any relevant research activity in the UK will be in breach of the conditions of their visit permission and may face enforcement action as a result.

Complying with wider UK law

- C1.53. You have a duty to comply with wider UK law (other than immigration law). This includes, but is not limited to:
- complying with [UK employment law](#), including, but not limited to, National Minimum Wage, the Working Time Regulations, enrolling your employees on a pension scheme (where required), and ensuring your workers are aware of their employment rights
 - where relevant, complying with the '[right to rent](#)' scheme
 - holding suitable planning permission, local planning authority consent or any legally required licence registration or approval to run your type/class of business at your trading address (where this is a local authority requirement)
 - if you are required to be registered with or inspected, monitored or licensed by a statutory body or licensing authority to operate lawfully in the UK (such as a nursing or care home, healthcare provider, financial or insurance business, or food business), ensuring you are registered with or licensed by the appropriate body
 - only employing a worker who has had a [Disclosure and Barring Service \(DBS\) check](#), where this is a requirement for the role
 - where relevant, complying with our requirements on safeguarding children – see section L2 of [Part 1: Apply for a licence](#) for further information
 - not engaging in any criminal activity
 - not being subject to UK or UN imposed sanctions
 - paying VAT or other duty penalties

Behaviour that is not conducive to the public good

- C1.54. All sponsors have a responsibility to behave in a manner that is consistent with our fundamental values and is not detrimental to the wider public good. The Home Office will not license organisations whose actions and behaviour are non-conducive to the public good. Such actions and behaviour include but are not limited to:

- fostering hatred or inter-community division
- fomenting, justifying or glorifying terrorism
- rejecting the rights of, or discriminating against, other groups or individuals on the basis of their sex, age, disability, gender reassignment, sexual orientation, marital or civil partnership status, race, or religion or belief (including lack of belief)

C1.55. The Home Office will refuse a sponsor licence application or take the appropriate compliance actions if a prospective or existing sponsor is engaging, or has ever engaged, in such behaviour or actions. The compliance action taken will depend on the gravity of the behaviour and actions but could include compliance actions up to and including revocation of your licence.

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C2. Reporting changes to your organisation

This section tells you how to report a change in your or your organisation's circumstances, such as a change of address, changes to your Key Personnel, or if you are convicted of a relevant offence.

Overview

- C2.1. Before you read this section, ensure you understand the definition of 'you' and 'your' in the [glossary to this guidance](#). You should also refer to the 'Key Personnel' section (section L4) in [Part 1: Apply for a licence](#) to ensure you understand the roles of Authorising Officers, Level 1 and Level 2 Users, and Key Contacts.
- C2.2. You must tell us of any significant changes to your organisation. You can report most changes via the [sponsorship management system \(SMS\)](#). In limited cases, you will need to complete a '[sponsor change of circumstances form](#)' instead. Once you have submitted details of the change or changes, we may ask you for further information and/or supporting evidence.
- C2.3. Except where you are replacing your Authorising Officer or Key Contact, you must report the change by no later than 20 working days after the date you became aware of the change.

Changes you must make or report via your SMS account

- C2.4. A Level 1 User on your licence must access SMS and use the 'request changes to licence details' or 'Manage Level 1 and 2 users' functions to:
- replace your Authorising Officer or Key Contact
 - amend your current Authorising Officer's or Key Contact's details
 - amend or update their own Level 1 User details, or those of any Level 2 Users currently active on your licence
 - add or remove other Level 1 Users, as required
 - add Level 2 Users (before 9 September 2026) or remove them – see section L4 of Part 1: Apply for a licence for further information on the phasing out of Level 2 Users
 - amend your organisation's details, such as its name or the name of any branches, address, contact details, or head office details
 - tell us about changes to your organisation's structure, such as more branches or sites, or new linked entities in the UK (or overseas if you are licensed on the Global Business Mobility routes)
 - tell us about a change in the status of any registration or accreditation you are legally required to hold to operate or trade in the UK, or which you are required to hold for sponsor licensing purposes (for example, if

you are licensed on the Charity Worker route and you lose your charitable status)

- tell us if you stop trading or go into an [insolvency procedure](#)
- tells us if your organisation is subject to a [merger, takeover or similar change](#)
- tell us if anyone coming under the definition 'you' is convicted of a relevant offence listed in Annex L4 of [Part 1: Apply for a licence](#)
- if you are a 'Worker' sponsor, tell us of a change to your organisation size or charitable status
- tell us of any other changes to your circumstances, such as adding or removing a representative, [surrendering your licence](#), or if you substantially change the nature of your business

Change in your organisation size or charitable status

C2.5. If you are a 'Worker' sponsor (as defined in the glossary), you must tell us if either your organisation size, or your charitable status, changes, as this may affect how much you pay for certain sponsorship services (including sponsor licence fees and the Immigration Skills Charge). This includes where:

- you were previously classified a 'large' company but you now qualify as a small company or have gained charitable status
- you were a small company but are now a large company
- you previously held charitable status but no longer hold that status
- you have obtained charitable status

How to report changes to your organisation

C2.6. You can find guidance on how to request or make these changes in [SMS Manual 2: Manage your sponsorship licence](#).

C2.7. You may have to complete more than one action on the SMS. For example, if you tell us of a change of address, you may also need to tell us of a change to the working address for your Key Personnel. You must request each change separately.

C2.8. The following changes will normally automatically update in your SMS account once you have reported them:

- your main or head office address
- the address of your Authorising Officer, Key Contact, or Level 1 User, provided their new postcode matches the postcode of your main or head office (or, in the case of a Key Contact or Level 1 User, the postcode of your representative if you've appointed a representative as your Key Contact or as an additional Level 1 User)

C2.9. If you meet the conditions in paragraph C2.10 below, the following changes will also automatically update once you've reported them:

- replace your Authorising Officer or Key Contact
- add new Level 1 Users

C2.10. The conditions referred to above are that:

- your licence is fully active
- your licence is A-rated
- the postcode of the address stated for the new Authorising Officer, Key Contact or Level 1 user matches the postcode of the main organisation address or head office address (or the postcode of your representative if you've appointed a representative as your Key Contact or Level 1 User)

C2.11. If you're replacing your Authorising Officer or Key Contact, you will still need to send a signed submission sheet (and any required supporting documents) with your request.

C2.12. We will also carry out standard checks on your new Key Personnel (as set out in section L4 of [Part 1: Apply for a licence](#)). We will contact you if we have any concerns and, if necessary, ask you to nominate alternative personnel. If we ask you to nominate a different Level 1 User, we will deactivate the account of the Level 1 User you previously nominated while you make a new request.

C2.13. If you are reporting a change not listed in C2.8, or you do not meet the conditions in C2.9 or C2.10, your request will be considered by a UKVI caseworker (decision maker) before any details on your SMS account are updated.

C2.14. If you request a change to the name of your organisation on your licence, we will need to understand why you are changing it, because this will determine whether you have to apply for a new licence. If, for example, the only reason you are changing your name is because you are incorporating yourself for the first time, and nothing else is changing, we can change the name on your licence without a new licence application. If, however, your change of name is part of a wider change – for example, if you are involved in a merger or takeover – you may have to apply for a new sponsor licence.

When you cannot use the SMS

C2.15. You cannot use the SMS to report changes if you no longer have a Level 1 User in place with SMS access (for example, if your only Level 1 User has left your organisation). In such circumstances, you must fill in a [change of circumstances form](#) to do any of the following:

- add a Level 1 User, where no-one in your organisation has access to the SMS
- replace an Authorising Officer, where the new Authorising Officer will also be the sole Level 1 User
- request surrender of your licence, where no-one in your organisation has access to SMS

- request that your licence is made dormant, where no-one in your organisation has access to SMS
- C2.16. Unless you are surrendering your licence, you must have at least one Level 1 User in place at all times – see section L4 of Part 1: Apply for a licence for more information.

Supporting evidence

- C2.17. When you submit changes, either through the SMS or the change of circumstances form, you should also send us any relevant supporting evidence. We will tell you if we need additional documents or information to support your request. When you request a change via SMS, a submission sheet will be produced as a PDF document if we need a signed declaration and/or any documents to validate your request. If you send the request using the [change of circumstances form](#), we will contact you in writing to tell you what, if any, documents we need.
- C2.18. Any documents you send must meet the format requirements set out in section 6 of [Appendix A to the sponsor guidance](#).
- C2.19. You must send any declaration, supporting documents (if needed), and the submission sheet for requests made via your SMS account, to us within 5 working days. If we ask for more documents, you must also send these within 5 working days. If you do not send us the information by the given deadline, we will refuse your request and may revoke your licence. If we refuse your request, you can make another one at any time, provided we have not revoked your licence.

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C3. Insolvency procedures

This section tells you what you must do if you enter an insolvency procedure.

Administration or administrative receivership

- C3.1. If you go into administration, including special administration, or administrative receivership, you must:
- tell the administrator or administrative receiver that you are a licensed sponsor as soon as possible; and
 - tell us within 20 working days of going into administration or administrative receivership
- C3.2. The insolvency practitioner appointed as the administrator or administrative receiver must be appointed as your Authorising Officer. This can be done in 2 ways:
- if they are content for your named Level 1 User to stay in that role, then that Level 1 User can use the 'request changes to sponsor details' function within your sponsorship management system (SMS) account to replace your Authorising Officer
 - if they do not want your Level 1 User to continue to access your SMS account, they must fill in a [change of circumstances form](#) to appoint themselves as your new Level 1 User; they must write 'In Administration' or 'In administrative receivership' (as appropriate) across the top of the form so we can make sure that we can deal with the request quickly – once we have approved the change, they can then appoint themselves as the new Authorising Officer using your SMS account
- C3.3. There are different ways in which you can come out of administration or administrative receivership and some will have an impact on your continuing permission to hold a sponsor licence. A key factor will be whether or not you continue to own your business.

Company voluntary arrangement or debt arrangement scheme

- C3.4. If you enter into a [company voluntary arrangement \(CVA\)](#), you must tell us within 20 working days of this being agreed and also tell us if it has resulted in a change of ownership. Where there is a change of ownership, we will treat this as if you have sold your business and will revoke your sponsor licence. If you are sponsoring any workers when ownership changes and the new owner wants to continue employing them, they must apply for a sponsor licence within 20 working days of taking ownership. See section C4 for further information.
- C3.5. If the CVA amounts to an agreement with your creditors, but no change in ownership, then you can continue to hold your sponsor licence. Where

relevant, you can also remove the administrator from the position of Authorising Officer and either re-appoint your original Authorising Officer or appoint a new one. You must do this using your SMS account.

- C3.6. If you enter into a [debt management plan](#) or a [debt arrangement scheme \(DAS\)](#) and there is no change in ownership, you can continue to hold your sponsor licence.

Liquidation or sequestration

- C3.7. If you go into voluntary or compulsory liquidation, you must tell us within 20 working days of entering liquidation. If sequestration has been awarded or you have signed a Trust Deed and either of these means you stop trading, you must tell us within 20 working days of the date you finish trading. If you or any appointed insolvency practitioner cannot access your SMS account to report this, you must email the [Sponsor Compliance Team](#). We will then revoke your sponsor licence.

Sole traders

- C3.8. If you are a [sole trader](#) and you enter into an [individual voluntary arrangement \(IVA\)](#) or a [debt arrangement scheme \(DAS\)](#), you must tell us using your SMS account within 20 working days. If your IVA or DAS amounts to an agreement with your creditors where you remain sole owner of your business and continue to trade, you must also tell us about this. If this happens, you can keep your sponsor licence.
- C3.9. If your IVA or DAS results in your business being sold, you must tell us within 20 working days. We will then revoke your sponsor licence. If you are sponsoring any workers when your business is sold and the new owner wishes to continue sponsoring them, they must apply for a sponsor licence within 20 working days of taking ownership, as described in section C4 of this guidance.
- C3.10. If you are a sole trader and a court issues a [bankruptcy order](#) against you, or sequestration has been awarded, you must tell us this within 20 working days. You will not be able to do this using your SMS account because you will not be permitted to access it. You must email the [Sponsor Compliance Team](#) telling us the date you finished trading. We will then revoke your sponsor licence.

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C4. Mergers, takeovers and similar changes

This section tells you what action you must take if your organisation is involved in a change of ownership, merger, takeover, de-merger, or similar change, including if you lose or accept sponsored workers under TUPE or similar protection.

General principles

- C4.1. Your sponsor licence is not transferable and what happens to you, and your sponsored workers, will depend on whether:
- there is a change in direct ownership
 - you sell all or part of, or the controlling number of shares in, your organisation
 - you are partly or wholly taken over by another organisation
 - you are splitting out to form new organisations
- C4.2. Your Level 1 User must report any of the above changes via your sponsorship management system (SMS) account within no more than 20 working days of the change taking place. If you fail to do so, we may [downgrade](#) or [revoke](#) your licence. If we revoke your licence, any workers sponsored by you may have their permission cancelled.
- C4.3. If your Level 1 User is not available because you have been taken over or merged into another organisation, we will accept the report from the Level 1 User at the new sponsor organisation.
- C4.4. Once you have reported the change, we will ask for and verify documents to support the change. These may be documents listed in [Appendix A](#) to the sponsor guidance, or we may ask for documents other than those in Appendix A, depending on the circumstances.
- C4.5. Where there is a change in direct ownership of your organisation or business – for example, if it is sold as a going concern, or a share sale results in the controlling number of shares being transferred to a new owner – your sponsor licence will be either revoked or, if sponsored workers have transferred to another sponsor's licence, made dormant. The new owners must then apply for a new sponsor licence, if they don't already have one, if they wish to continue employing any workers you were sponsoring.

TUPE or similar protection

- C4.6. When a business changes owner or another business takes over part of it or a service it provides, its employees may be protected under the [Transfer of Undertakings \(Protection of Employment\) Regulations 2006](#) (as amended) ('TUPE'). In general terms, TUPE protection means that the employees' jobs transfer to the new company and their terms and conditions of

employment remain the same. You can find [more information about TUPE](#) on GOV.UK.

C4.7. Alternatively, where TUPE does not apply (for example, staff working in the public sector), employees may benefit from similar protection to TUPE. In this guidance, 'similar protection' to TUPE includes provisions such as:

- [Cabinet Office Statement of Practice on Staff Transfers in the Public Sector](#)
- [section 23 of the Public Bodies Act 2011](#)
- [the Transfer of Undertakings \(Protection of Employment\) \(RCUK Shared Services Centre Limited\) Regulations 2012](#)
- [the Transfer of Undertakings \(Protection of Employment\) \(Transfers of Public Health Staff\) Regulations 2013](#)
- [the Transfer of Undertakings \(Protection of Employment\) \(Transfer of Staff to the Department for Work and Pensions\) Regulations 2014](#)
- other similar staff transfer schemes provided for in legislation

C4.8. With the exception of transfers provided for in the Cabinet Office Statement of Practice, the transfer scheme must have a statutory basis to be considered as 'similar protection' – it does not include ad hoc arrangements.

C4.9. See [Example 8](#) in Annex C4 for guidance on what happens if there is a change of sponsor for reasons not related to TUPE or similar protection, but the sponsored worker remains working for the same employer and in the same employment (for example, where a company with multiple branches re-organises its licence).

What this means for sponsored workers

C4.10. Workers who change employer under TUPE or similar protection do not need to make a new application for permission, and the new sponsor does not have to assign a new Certificate of Sponsorship (CoS) to the worker, provided:

- the new sponsor has a valid sponsor licence in the relevant route and has confirmed that it accepts responsibility for the worker, and
- the worker's duties remain unchanged

What this means for you (the sponsor)

C4.11. If a sponsored worker moves to you under TUPE or similar protection, and you already have the appropriate sponsor licence, you will, from the date of the move, take up full responsibility for them as their new sponsor, and must meet all of the associated duties set out in this guidance. You must confirm that you will take responsibility for them via your SMS account.

C4.12. Where workers are being moved to you under TUPE or similar protection, but you do not already have a sponsor licence under the route needed to sponsor them, you must either make an application for a sponsor licence, or

apply to extend the scope of your existing sponsor licence. Your application must be made within 20 working days of the move taking place.

C4.13. If you:

- do not make a valid application within 20 working days; or
- do make a valid application, but that application is refused

all of the workers who moved to you, except any who can be sponsored under your existing licence if you have one, will have their permission cancelled.

Processes you must follow

Complete takeovers and mergers

C4.14. If you are completely taken over or merged into another organisation and your sponsored workers are moving to a new organisation, you must:

- report the change via your SMS account, including details of all of your sponsored workers who will be moving to the new organisation – you must make the report within 20 working days of the change
- use the 'Report migrant activity' function on the SMS to report if any of your sponsored workers are not moving to the new sponsor – these workers' permission will be cancelled
- confirm if you need to [surrender your sponsor licence](#) – this can be done using your SMS account or (if you no longer have a Level 1 User with SMS access) the [change of circumstances form](#)

C4.15. If you have completely taken over, or merged with, another sponsor organisation and their sponsored workers are moving to you, you:

- must make a valid application for a sponsor licence, or apply to extend the scope of your existing licence, if you do not already hold the relevant licence, within 20 working days of the date they move to you
- can use the SMS to apply for an increase in your allocation of Certificates of Sponsorship (CoS) if you already have a sponsor licence, and the change means you may need to recruit more workers in the future
- must report the change via SMS, including details of any workers you have accepted sponsorship responsibility for, if you already have a sponsor licence – you must make the report within 20 working days of the change taking place
- must request to make the previous sponsor's licence dormant

C4.16. We can give you limited access to the previous sponsor's licence on the SMS, so that you can report worker activity for those whose employment has transferred to you.

Partial takeovers and de-mergers

C4.17. If you are partially taken over, or if you are splitting out to form one or more new organisations and some of your sponsored workers will be moved to a new organisation under TUPE or similar protection, the action you must take will depend on whether you are the new sponsor or, if you are the old sponsor, you still have any sponsored workers.

If you no longer have any sponsored workers

C4.18. If you are the existing sponsor and the change means that you will no longer have any sponsored workers, you:

- must report the change using the SMS, including details of workers moving to the new organisation, within 20 working days of the change
- may want to surrender your licence – this can be done by using the SMS or (if you no longer have a Level 1 User with SMS access) the [change of circumstances form](#)

C4.19. If the change leaves you with no sponsored workers, but you are not sure whether you will need to sponsor any new workers in the future, you can keep your licence if you want to. If you do keep it, we will reduce your CoS allocation to zero. If you surrender your licence, but then need to recruit workers again in the future, you will have to apply for a new licence.

If you still have sponsored workers

C4.20. If you are the existing sponsor, and you still have sponsored workers, you must:

- report the change via SMS, including details of workers who will be moving to the new organisation, within 20 working days of the change taking place
- tell us if you need to amend your allocation of CoS via your SMS account – for example, if you will need fewer CoS than was agreed before the change
- continue to report on any sponsored workers you are still employing (you will no longer have any responsibility for reporting on workers who moved to the new organisation)

C4.21. If you are unsure whether or when you may need to recruit any new workers in future, we will reduce your CoS allocation to zero.

If you are the new sponsor

C4.22. If you are the new sponsor, you:

- must make a valid application for a sponsor licence within 20 working days of the date the workers move to you, if you do not already have a relevant sponsor licence

- can use the SMS to apply to increase your allocation of CoS, if you already have a sponsor licence and the change means you may need to recruit more workers in the future
- must report the change via SMS, including details of any workers you have accepted full sponsorship responsibility for, within 20 working days of the change taking place

C4.23. As the new sponsor, you will not be able to report on the workers who have transferred to you from the old sponsor organisation through SMS because you will not have an SMS record for them. However, you must still report on these workers to meet your sponsor duties. To do this, you must email the [Worker and Temporary Worker Reporting mailbox](#) with the following information:

- previous sponsor organisation's name
- previous sponsor organisation's licence number, if known
- workers' details
- details of any other changes or relevant information – for example, if a worker is absent from work for 10 consecutive working days without permission

Further guidance on mergers, takeovers and similar changes

C4.24. See Annex C4 of this document for further guidance on how mergers, takeovers and similar changes may affect you and the action you need to take.

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C5. Inactive sponsor licences

The requirement to renew your sponsor licence every 4 years was removed on 6 April 2024. Once granted, your licence will remain valid for an indefinite period (or for a maximum of 4 years in the case of the UK Expansion Worker and Scale-up routes), unless you either surrender it or we revoke it.

The [register of licensed sponsors](#) is intended for organisations who are actively using their licence. We will publish further guidance on how we will manage inactive licences in a future update.

If you are not currently sponsoring any workers, you can surrender your licence as set out in section C6 of this guidance.

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C6. How to surrender your licence

This section tells you what you must do if you decide to surrender your sponsor licence.

- C6.1. You can surrender your sponsor licence if you no longer wish to sponsor workers, and have no sponsored workers still working for you. You do this using your sponsorship management system (SMS) account, unless you have no Level 1 Users in place, in which case you must use the [Change of circumstances](#) form on GOV.UK. You will need to sign a declaration. You may also need to send supporting evidence – we will tell you if this is the case.
- C6.2. Once we have accepted your request to surrender your licence, we will remove your entry from the [register of licensed sponsors: workers](#) on GOV.UK.
- C6.3. We will not refund any of your licence fee if you surrender your licence.
- C6.4. You may choose to surrender your licence in all routes in which you are licensed, or surrender only in certain routes. You must clearly state which route or routes you are surrendering when you request the change in your SMS account.
- C6.5. When you make this request, you must confirm that you no longer have responsibility for any workers whom you previously sponsored. If you do have any sponsored workers, we will revoke your licence and cancel the workers' permission in the UK.
- C6.6. If you surrender your licence, you can apply for a new sponsor licence at any time, provided we were not taking compliance action against you when you surrendered your licence. You will have to pay the correct fee and produce all relevant documents appropriate to the route, or routes, in which you are applying.
- C6.7. If you wish to surrender your licence while we are taking compliance action against you, you may do so but you will not be eligible to re-apply for your licence for 12 months from the date we accept your request to surrender your licence (or 24 months if you have had your licence revoked on more than one occasion, or would have had it revoked if you had not surrendered it). See 'Cooling-off period' in section L9 of [Part 1: Apply for a licence](#) for further information on this.

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C7. Compliance checks

This section tells you about the checks we make to ensure you are complying with your sponsor duties and the action we will take if we find you are not.

Guiding principles

- C7.1. The ability to sponsor workers to work in the UK is a privilege that must be earned. When a sponsor is granted a licence, significant trust is placed in them. With that trust comes a responsibility for sponsors to act in accordance with our immigration law, all parts of the Worker and Temporary Worker sponsor guidance, wider UK law (such as employment law) and the wider public good. UKVI has a duty to ensure all sponsors discharge these responsibilities, and that a sponsor's actions (or omissions) do not create a risk to immigration control or are not conducive to the public good.
- C7.2. The majority of those who employ overseas workers are honest and willing to comply with their duties. However, because sponsorship transfers a significant amount of responsibility and trust to sponsors, we have a duty to ensure that we deal appropriately with the minority who do not comply with their duties. We place great weight on the importance of trust in the operation of the sponsorship scheme and the need to ensure that sponsors take their duties seriously.
- C7.3. We will continually monitor sponsors' compliance and take action against those who:
- pose, or may pose, a threat to immigration control
 - breach their sponsor duties, or otherwise fail to comply with the Immigration Rules or Worker and Temporary Worker sponsor guidance, including the passing on of costs to workers that are explicitly prohibited
 - are convicted of criminal offences or issued with certain civil penalties (such as those for employing illegal workers)
 - have engaged or are engaging in behaviour or actions that are not conducive to the public good
- C7.4. Compliance checks may be taken on the basis of a reasonable suspicion that you have breached your sponsor duties or are otherwise no longer suitable to hold a licence. This may be based on a poor previous record of compliance with us or other government departments.
- C7.5. We have a range of measures to make sure that we enforce sponsors' duties and identify dishonest, incompetent, or otherwise inappropriate sponsors early on. Action we may take includes:
- reducing your certificate of sponsorship (CoS) allocation
 - downgrading your licence to a B-rating
 - suspending your licence
 - revoking your licence

- cancelling the permission of your sponsored workers to remain in the UK
- where we believe a criminal or civil offence has taken place, reporting this to the police or other relevant authorities

How we check you are complying with your sponsor duties

- C7.6. To check you are able and continuing to comply with the duties and responsibilities of a being a licensed sponsor, we may conduct a compliance check, which can involve:
- asking you for additional documents or information
 - verifying documents and information you have provided
 - visiting you on-site
 - conducting a digital compliance check which involves interviewing you via remote video conferencing facilities
 - making checks with other government departments, agencies or local authorities
 - considering any other information or evidence that comes to light – for example, during the course of considering applications from your sponsored workers or through allegations from members of the public
- C7.7. We will also make regular checks with HMRC to ensure you are paying your workers appropriately and in line with the Immigration Rules and sponsor guidance.
- C7.8. The purpose of these checks is to make sure:
- the information you have given is accurate and complete
 - you are able and intend to offer work that meets the definition of ‘eligible role’ [in the glossary](#)
 - you are genuine and trading or operating lawfully in the UK
 - there are no reasons to believe you represent a threat to immigration control or that you are engaging or have engaged in behaviour or actions that are not conducive to the public good
 - you are committed to, and actually are, complying with all the duties of sponsorship
- C7.9. We may check sponsors at any time, including before we make a decision on your licence application or after your licence has been granted. If we conduct a compliance check which involves visiting or interviewing you, this can be on an announced or an unannounced basis.

Co-operating with us

- C7.10. You must co-operate with us and allow our staff full access to any premises or sites under your control on demand. If your sponsored workers perform their employment duties at a third party’s office, it is your responsibility to ensure that the third party is aware we may carry out an unannounced visit to, and conduct checks at, their premises. You must ensure their full co-operation. If any such third party is uncooperative, we will take action

against you.

C7.11. We will not tolerate:

- abusive, intimidating or threatening behaviour
- conduct amounting to harassment based on a person's actual or perceived sex, age, gender reassignment, race, religion or belief, sexual orientation, pregnancy or maternity, marital or civil partnership status or disability
- attempts to use pressure or bribery to get information

C7.12. You must adhere to any action plan set by us. An [action plan for B-rated sponsors](#) may set out extra duties you must comply with.

C7.13. You must minimise the risk of immigration abuse by complying with any good practice guidance for sponsors produced with our agreement.

What happens during a compliance check

C7.14. Our compliance officers will carry out relevant checks and may interview you and any of your sponsored workers. This could be either via an onsite compliance visit to any physical addresses where your sponsored workers carry out their work (including a third party's offices) or a digital compliance check. See the glossary for a definition of the terms, 'compliance check', 'compliance visit' and 'digital compliance check'.

C7.15. The compliance officer may want to:

- verify any information you gave in your sponsor licence application – this may include taking photographs of the location and the premises from which you are operating your business
- verify any information you gave in support of any worker's application for entry clearance or permission
- check you are complying with all of your sponsor duties, or will be able to comply if they interview you before your licence application has been decided
- speak to any sponsored workers, including any workers you may have previously sponsored
- speak to any of your employees or colleagues involved in the recruitment of sponsored workers
- inspect records and/or systems to ensure you are following your sponsor obligations and adherence to rules, such as those on record keeping set out in [Appendix D to the sponsor guidance](#)
- conduct checks on other workers to ensure you are complying with your obligation to prevent illegal working
- conduct checks (including criminal record and civil penalty checks) on anyone falling under the general definition of 'you' in the glossary to this guidance, or anyone else associated with you, such as employees in

positions of responsibility who are not directors or Key Personnel, and financiers involved in the running of your institution

- C7.16. We may also carry out checks on any licensed sponsor by telephone, video conferencing, or by letter, asking for evidence to support any information you have given us either before or after your licence was granted.
- C7.17. We may also make checks with other government departments.
- C7.18. The compliance officer will not give an indication of their assessment or your ability to comply with sponsor duties during the compliance check.
- C7.19. The compliance officer, or any third party working on our behalf, visiting your premises will have official Home Office identification. If you doubt that the official is genuine, you should call us on 0300 123 4699.

Discrepancies or problems discovered during checks

- C7.20. If we find discrepancies on your application after a decision has already been made, we will investigate and, if appropriate, take action against you.
- C7.21. If we find evidence you, a representative, or a person employed by you who appears to act on your behalf, have knowingly deceived us, or if we cannot verify statements made or documents given to us by you or these individuals, we will assess the evidence we have and take the appropriate action against you. We may also take into account information gained in interviews with your employees.
- C7.22. If you use, or attempt to use, deception to get a licence, you may be committing a criminal offence. We may inform the relevant authorities and prosecute you, a representative or a person employed by you who appears to act on your behalf, under the relevant Immigration Acts or other legislation. We can refuse future applications involving the same individuals.

Outcome of compliance checks

- C7.23. After we have completed our checks, we will consider what, if any, action to take against you. We will notify you of our decision in writing.
- C7.24. Where there has been a breach, or suspected breach, of your sponsorship duties, or if we consider you pose a threat to immigration control or are not conducive to the public good, we will assess the issue and decide on the most appropriate course of action to take.
- C7.25. Where the breach is a relatively minor issue and you are willing and able to correct it, we will, in most cases, support you in making the relevant improvements by downgrading your licence to a B-rating and issuing a time-limited action plan which sets out the steps you must take in order to retain your licence.
- C7.26. Where there is a more serious breach indicating:

- a significant or systematic failing
- you no longer meet the eligibility or suitability requirements for holding a licence
- you pose a serious threat to immigration control
- you are engaging, or have engaged, in behaviour or actions that are not conducive to the public good

we may decide either to:

- suspend your licence, with a view to revocation, while we investigate further, or
- revoke your licence without prior suspension

Sanctions for employing illegal workers

C7.27. Under [section 15 of the Immigration, Asylum and Nationality Act 2006](#), all employers have a duty to check their employees (whether sponsored or not) have the right to work in the UK and to undertake the work in question. We will take action against those who employ illegal workers and do not undertake the correct checks. You can protect yourself by conducting a right to work check, and establishing a 'statutory excuse', in accordance with the publication [Right to work checks: an employer's guide](#) on GOV.UK.

From 1 October 2026, the responsibility to carry out right to work checks will also apply to organisations that engage individuals under a worker's contract or individual sub-contractors, or operate an online matching service providing details of an individual who is a service provider to potential clients or customers. See the draft 'Employer's guide to right to work checks' at the link above for further information.

C7.28. As a licensed sponsor, you also have a duty to carry out a right to work check on any worker you are sponsoring, regardless of the nature of the employment relationship between you and the sponsored worker. In these circumstances, even if you are not required to establish a statutory excuse under the right to work scheme, you must still carry out a right to work check (or ensure that check is carried out if you are not directly employing or engaging the worker) to comply with your sponsor duties. See section 1.1 of [Appendix D to the sponsor guidance](#) for further information.

C7.29. You must carry out a right to work check before the relevant employment starts. If you employ someone who has no time limit on their permission to be in the UK (for example, if they have indefinite leave to remain), you need only make this check once. If the worker has time-limited permission, you need to conduct a follow-up check, as described in the right to work checks guidance.

C7.30. If you sponsor or employ a worker who does not have the relevant immigration permission to work, and you have failed to carry out the appropriate right to work check, or could otherwise have been reasonably

aware that the worker does not have the relevant permission to work, you may face the following penalties:

- if you are in breach of the statutory right to work scheme, we may issue you with a civil penalty of up to £60,000 for each illegal worker
- if we issue you with a civil penalty, we are likely to revoke your licence and you will not be eligible for a new licence until at least 12 months have passed since you have paid the civil penalty in full (this period could be up to 5 years if you are issued with more than one civil penalty)
- if we need to take action to enforce payment of a civil penalty, this could adversely affect your ability to obtain credit
- you may be prosecuted for knowingly employing an illegal worker, for which you can go to prison for up to 2 years and/or receive an unlimited fine
- where the statutory right to work scheme does not apply (for example, where you are not the worker's direct employer) but you are otherwise sponsoring a worker who does not have the relevant permission to work, we are likely to revoke your licence
- you may be prosecuted for having in your possession or under your control an identity document (or a copy of it) that is false or improperly obtained and you may go to prison for up to 5 years and/or receive an unlimited fine
- you may be disqualified from acting as a company director
- you may be prosecuted for facilitation or trafficking and, if convicted, you may go to prison for up to 14 years and/or receive an unlimited fine
- if you are subject to UK immigration control, and liable for employing illegal workers, this will be recorded on Home Office systems and will be used in the consideration of future immigration applications

C7.31. We may also tell other bodies, such as:

- the Fair Work Agency
- the Immigration Advice Authority
- the Insolvency Service
- HM Revenue and Customs
- any other relevant government department or agency

C7.32. We publish details of [employers who have been issued with civil penalties for employing illegal workers](#) on GOV.UK.

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C8. Downgrading your licence rating

This section tells you about the circumstances in which we can downgrade your licence to a B-rating.

Overview

- C8.1. We may downgrade your licence from an A-rating to a B-rating – for example, if we believe you do not have the necessary processes in place to comply with your sponsor duties or have not provided information you held when we asked you to provide it.
- C8.2. In general, we will only downgrade your licence for relatively minor breaches of the sponsorship scheme that we believe can be resolved by issuing an action plan. In more serious cases, we will suspend or revoke your licence.
- C8.3. If we downgrade your licence to a B-rating, you will have to comply with a time-limited action plan, for which you must pay a fee, and you will not be allowed to sponsor any new workers until you have regained your A-rating. We will also remove the provision to replace your Authorising Officer or Key Contact and add new Level 1 users automatically, if these provisions had previously been granted on your licence. We will revoke your licence if you do not comply with the action plan or make the necessary improvements during the time limit.
- C8.4. You cannot be downgraded to a B-rating if you are a Provisional sponsor on the UK Expansion Worker route. If you fail to meet your sponsor duties, or otherwise fail to meet the relevant requirements of the sponsor guidance, we will not issue you with an action plan. In these circumstances, we will consider revoking your licence.

How we decide whether to downgrade your licence

- C8.5. We will consider downgrading your licence if any of the issues listed in Annex C2 or Annex C3 arise. We reserve the right to suspend or revoke your licence without first downgrading it.
- C8.6. If we consider downgrading your licence, we will write to you to tell you what action we propose and why, giving you 20 working days from the date of that letter to respond in writing. We may extend this period at your request if we are satisfied there are exceptional circumstances for doing so.
- C8.7. You may make any written statements you think necessary to respond, including sending evidence. We will not hold an oral hearing. If new evidence comes to light during that period, we will write to you again, giving you another 20 working days to respond to the new evidence.
- C8.8. When we receive a response from you, we will consider this and may ask a compliance officer, other law enforcement agency, government department, agency, local authority, the police, foreign government or other body, for

information. We will tell you of our decision within 20 working days of receiving your response.

- C8.9. If we do not receive a response from you within the time allowed, we will go ahead with whatever action we believe to be appropriate.
- C8.10. We will inform you of the decision in writing. We will send the decision letter to you by Royal Mail Signed For delivery or by email. If we decide to downgrade your licence, this will take effect from the date of the decision letter. If letters are emailed, hard copies are available at request via the email address on the letter.
- C8.11. If we downgrade you to a B-rating, you will not be able to assign any CoS to sponsor new workers until you have:
- demonstrated your commitment to make improvements by signing up to the measures set out in an action plan
 - paid the action plan fee; and
 - had your A-rating restored

Sponsorship action plans

- C8.12. A B-rating is a transitional rating. If you are a B-rated sponsor, you must improve your performance enough to be upgraded to an A-rating within a specified time limit, not exceeding 3 months. If you do not, your licence will be revoked.
- C8.13. If you are downgraded to a B-rating, you must adhere to an action plan, which will set out the steps you must take to return to, or achieve, an A-rating. This may include, for example, making improvements to your record-keeping, improving your control over staff who assign CoS, or improving communication between your different branches so you know when a sponsored worker has not turned up for work.
- C8.14. There is a fee for an action plan – see [UK visa fees](#) on GOV.UK for information. This fee covers the cost of preparing and supervising the action plan. Where we decide a B-rating is appropriate, we will notify you in writing, and request payment for the action plan fee. You will then have 3 options:

Option	What will happen
1. You accept the action plan and pay the action plan fee within 10 working days (using the 'Action plan details' function in your SMS account).	If you make your payment within 10 working days, you will continue to be a licensed sponsor and we will proceed as set out in paragraphs below this table.
2. You decline to pay the fee	If you are not sponsoring any workers, you can choose to surrender your licence.

Option	What will happen
	To do this you should select the 'decline' option in the 'Action plan payments' function in your SMS account. You must also sign the declaration attached to the decision letter telling you of your B-rating – this confirms that you want to surrender your licence. You must return the declaration to us within 10 working days. If you select 'decline' but do not return the declaration to surrender your licence within 10 working days, we will revoke your licence.
3. You do nothing	If you ignore the notification of your B-rating and/or do not pay the action plan fee within 10 working days, we will revoke your licence.

- C8.15. Once you pay the fee, we will send you your action plan. During the period covered by your action plan, you will not be able to add branches or a new route to your licence. You will also not be able to assign a CoS to any new workers. However, you may assign a CoS to a worker you were already sponsoring under the Worker or Temporary Worker routes before your licence was downgraded if they need (and are eligible) to apply for permission to stay.
- C8.16. We will decide, under the terms of your action plan, how many CoS you can have to cover extension applications during the period of your action plan.
- C8.17. All action plans are set for a fixed period of 3 months. We believe 3 months is the maximum length of time needed to put right any issues that resulted in your failing to meet your sponsor duties.
- C8.18. After the end of this period, we will carry out further compliance checks to establish whether you have met all of the requirements in your action plan. There are 3 possible outcomes at this stage:

Outcome	Action
You have not met the requirements of your action plan or more serious areas of non-compliance arise that justify immediate revocation of your licence	We will revoke your licence.
We find other areas of non-compliance have arisen which are not addressed by the current action plan but are listed in Annex C2 or Annex C3 (but do not warrant	A new, second action plan will be required, for which you must pay a new fee.

Outcome	Action
immediate suspension or revocation)	
You have met all the requirements of your plan and we have no other concerns about you	We will restore your A-rating. We will review your allocation of CoS where necessary so you are able to sponsor new workers again if needed.

- C8.19. If you request it, we will conduct a compliance check before the end of the 3-month period, but you should only request this if you are certain that you have already met all of the requirements set out in your action plan. If you request an earlier compliance check, we will take the action set out in the table above, whether or not the 3-month period has ended.
- C8.20. We will normally conduct a compliance check with you only once during the period covered by your action plan. However, we reserve the right to carry out additional compliance checks if we have information or evidence to suggest you may be failing to meet your sponsor duties for a reason not covered by your current action plan.
- C8.21. We will closely monitor your use of any CoS you assign whilst B-rated. If we find, either during the period of your action plan or later, that you have used any of those CoS to sponsor a new worker, we will revoke your licence.

Number of times you can be B-rated

- C8.22. You can only be B-rated and subject to an action plan for a maximum of:
- 3 months at any one time in respect of any single action plan
 - twice during any 4-year rolling period in which you hold a sponsor licence
- C8.23. The rolling 4-year period is calculated from the date your licence was first granted and each subsequent 4-year period after that.
- C8.24. If you have been B-rated and subject to an action plan twice within a rolling 4-year period and we find that you again meet the criteria to be downgraded, we will revoke your licence.

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C9. Suspending your licence

This section tells you about the circumstances in which we will, or may, suspend your sponsor licence.

Overview

- C9.1. If we believe that you are breaching your sponsor duties and/or pose a threat to immigration control, or are engaging in behaviours or actions that are not conducive to the public good, we may suspend your licence while we make further enquiries.
- C9.2. You will not be able to assign any CoS while your licence is suspended. You must continue to comply with all of your sponsor duties and any requirements set out in this guidance throughout the period of suspension.
- C9.3. If your licence is suspended, it is suspended in all routes in which you are licensed and we will remove your entry from the public version of the register of sponsors during the suspension period.
- C9.4. Workers you are sponsoring at the time of the suspension, and who have valid permission to enter or stay, will not be affected, unless or until we decide to revoke your licence.
- C9.5. If we decide to revoke your licence, we will write to you to tell you of this. There is no right of appeal and you will not be allowed to apply for a sponsor licence again until at least 12 months have passed since the date we notified you of the revocation (or 24 months if you have had your licence revoked on more than one occasion).
- C9.6. If we decide not to revoke your licence, we will lift the suspension and reinstate your entry on the register of sponsors on GOV.UK.

How we decide whether to suspend your licence

- C9.7. If any of the circumstances listed in Annex C1 arise, we will either revoke your licence immediately or we may suspend your licence pending further investigation or consideration.
- C9.8. If any of the circumstances listed in Annex C2 or Annex C3 arise, we will first consider downgrading your licence. However, we may decide to suspend your licence without first downgrading it. This could be where there has been sustained non-compliance over a period of time, or where there have been a number of breaches which are minor in themselves but, taken together, indicate a more serious or systematic failing.

The process we will follow

- C9.9. Where we are satisfied that we have enough evidence to suspend your licence without further investigation, we will write to you giving reasons for

the suspension.

- C9.10. Where we have evidence that in our view justifies your licence being suspended pending a full investigation, we will write to you giving our initial reasons for suspension and telling you that an investigation will take place. It may not be possible to say how long the investigation will take, but we will update you on our progress at regular intervals. During this period, you can make any written statements to respond, including sending evidence. Any statement or evidence will be taken into account during the investigation.
- C9.11. You have 20 working days from the date of the written notification to respond to our letter. This is your opportunity to seek a review of our decision and to set out any mitigating arguments you believe exist. Your response to us must be in writing and set out, with any relevant supporting evidence, which grounds you believe to be incorrect and why. We will not hold an oral hearing.
- C9.12. It is essential that you send us all representations on which you wish to rely, including details of any mitigating circumstances and relevant supporting evidence during this period. We may give you more time to respond if we are satisfied there are exceptional circumstances. We reserve the right to interview you if we deem it necessary, but an interview will not normally be conducted where we have conclusive evidence of any breaches.
- C9.13. If we identify any additional reasons for the suspension of your licence during that 20-day period, including any additional information gained during the course of discussions or interviews with workers to whom you have assigned a CoS, we will write to you again, giving you another 20 working days to respond in writing to the additional reasons.
- C9.14. When we receive a response from you, we will consider this and may ask a compliance officer, other law enforcement agency, government department, agency, local authority, the police, foreign government or other body, for information.
- C9.15. If we do not receive a response within the time allowed, we will go ahead with whatever action we believe is appropriate and tell you of our decision in writing.
- C9.16. Appropriate action may include one or more the following – we may:
- re-instate your licence with an A-rating
 - re-instate your licence with a B-rating (and issue you with an action plan)
 - prevent you from assigning any new CoS
 - prevent the use of any assigned, but unused, CoS
 - revoke your licence
- C9.17. We will tell you of our final decision within 20 working days of receiving your response, unless the consideration is exceptionally complex or we are waiting for information from a third party, such as another government

department. In this case, we will inform you of the delay.

- C9.18. Any action we take as a result of our decision will take effect from the date of the decision letter we send to you. We will send this letter by Royal Mail Signed For delivery or by email. If letters are emailed to you, hard copies are available at request via the email address on the letter.

How suspension affects your sponsor licence

- C9.19. You will not be able to assign any CoS while your licence is suspended.
- C9.20. If a worker makes an application supported by a valid CoS you assigned before your licence was suspended, or if you support a worker's application for indefinite leave to remain (settlement), we will not decide their application until the reason for suspension has been resolved, unless the application falls for refusal on other grounds.
- C9.21. If a worker has already been granted entry clearance on the basis of a CoS assigned by you before your licence was suspended, they will still be allowed to enter the UK and start working for you, provided your licence is not revoked by the time they travel. We advise all workers to check the status of their sponsor's licence [on the sponsor register](#) before they travel.
- C9.22. While your licence is suspended, the function to replace your Authorising Officer or Key Contact and add new Level 1 Users automatically will also be suspended, if these provisions had previously been granted on your licence.

What happens if we reinstate your licence

- C9.23. If your licence has been suspended and we do not later revoke it, we will reinstate it either as an A-rating or a B-rating.
- C9.24. If we reinstate your licence with a B-rating, you will not be given a further 20 working days to reply as this process will have been completed during the period your licence was suspended.
- C9.25. Re-instatement with a B-rating means you must comply with an action plan. We may also reduce, or set to zero, the number of CoS you are allowed to assign.

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C10.Revoking your licence

This section tells you about the circumstances in which we will, or may, revoke your sponsor licence.

Overview

- C10.1. Certain circumstances can lead to your sponsor licence being revoked. These include, but are not limited to, where:
- you cease to have (or never had) a trading presence
 - you cease to meet the requirements of the route, or routes, in which you are licensed
 - there is a serious or systematic breach of your sponsor duties
 - you pose a threat to immigration control
 - you have been convicted of a relevant criminal offence (see Annex L4 of [Part 1: Apply for a licence](#)) or issued with a specified civil penalty
 - you are engaging or having engaged in behaviour or actions that are not conducive to the public good
- C10.2. If we revoke your licence, it will be revoked in all the routes in which you are licensed. You will not be able to sponsor any more workers and we will normally cancel the permission of any workers you are sponsoring. Your organisation's details will be removed from the public register of Worker and Temporary Worker sponsors.
- C10.3. We will tell you in writing if your licence has been revoked. There is no right of appeal against the decision and you will not be eligible to apply again for a sponsor licence until at least 12 months have passed since the date of revocation. The minimum cooling-off period increases to at least 24 months if you had your licence revoked on more than one occasion.

How we decide whether to revoke your licence

- C10.4. Annexes C1 to C3 of this document set out the circumstances in which can revoke your licence. Some of these are grounds for revocation because they represent examples of culpable conduct that shows a sponsor to be unsuitable and where the high level of trust placed in them is unwarranted. Other grounds for revocation arise because of the importance of strict adherence to the rules of the sponsorship scheme to maintain the integrity of the scheme. Grounds for revocation do not necessarily require breaches to be deliberate or made knowingly.
- C10.5. Annex C1 sets out the circumstances in which we will revoke your licence – these are known as ‘mandatory’ grounds of revocation. If any of these circumstances arise, we can revoke your licence immediately and without warning. If we do not revoke your licence immediately, we will normally suspend your licence pending further investigation.

- C10.6. Annex C2 sets out the circumstances in which we will normally revoke your licence, unless there are exceptional circumstances. We cannot define in which exceptional circumstances we may not revoke your sponsor licence but, when one of the circumstances listed in Annex C2 arises, we view this as a serious matter. We will look for evidence that you have adequate processes and procedures in place and have taken all reasonable steps to verify information you are required to obtain and hold in connection with your duties under this guidance, as well as any information that you send to us.
- C10.7. Annex C3 sets out the circumstances in which we may revoke your licence. Generally, we will not revoke your licence if only one of these circumstances arises, but we reserve the right to do so, depending on the gravity of the issue. The more of these circumstances that are present, the more likely it is that we will revoke your licence.
- C10.8. If any circumstances in Annex C2 or Annex C3 arise and we have reasonable grounds to suspect you are breaching your duties and/or pose a threat to immigration control, we will normally first suspend your licence while we investigate further.
- C10.9. If any circumstances in Annex C2 or Annex C3 arise and we do not believe it is necessary to suspend your licence, we may first downgrade it to a B-rating instead.

How revocation affects your sponsored workers

- C10.10. If we revoke your licence, we may cancel (or shorten) the permission of any workers you are currently sponsoring on the Worker and Temporary Worker routes. The following table sets out the action we will take:

Situation	Action we will take
We believe the worker was actively and knowingly involved (complicit) in the reasons for the revocation of your licence – for example, if the worker agreed that you would arrange a non-existent job for them to enable them to come to the UK.	We will normally cancel all of their remaining permission, so that they have none remaining. This means that they will have to leave the UK immediately or face enforced removal.
The worker was not actively or knowingly involved (complicit) in the reasons for revocation.	We will normally cancel (shorten) their permission so they have only 60 calendar days' left. We will not normally cancel the worker's permission if, at the time we consider cancellation action, they have no more than 60 calendar days' permission remaining.

Situation	Action we will take
	In either case, the worker will have to leave the UK or face enforced removal if, at the end of the 60 calendar days (or by the time their permission expires if it was not shortened), they have not made an application for permission to stay on a route for which they qualify.

- C10.11. We will take enforcement action against any sponsored worker who was granted permission under the Worker or Temporary Worker routes and remains in the UK after their permission has expired. This may result in the worker being detained and removed from the UK and any application they make to come to the UK within the next 10 years being refused.
- C10.12. If your licence is revoked, any Certificates of Sponsorship (CoS) you have assigned automatically become invalid. This means any application for entry clearance made on the basis of that CoS will automatically be refused.
- C10.13. Where a worker has already been granted entry clearance to the UK when we revoke your licence, and they have not yet travelled to the UK, their entry clearance will be cancelled under paragraph SUI 34.1 of [Part Suitability of the Immigration Rules](#).
- C10.14. If your licence is suspended while we are considering an application for settlement (also known as indefinite leave to remain) from a worker you are sponsoring, we will not decide their application until the outcome of the suspension is decided (unless the application falls for refusal on other grounds).
- C10.15. We will notify all your sponsored workers of the revocation promptly, as it will affect their circumstances and they may wish to take action to address any resulting changes that will happen to their immigration status. We will not disclose to them any reasons why your licence has been revoked. If workers who have a live application do not vary the basis of their application (for example, to work for a different sponsor) before we make a decision, we will refuse it.

Re-applying for your licence after it has been revoked

- C10.16. Once your licence has been revoked, you cannot make a further application for a sponsor licence until at least 12 months have passed since the date we notified you of the revocation. This is known as a 'cooling-off' period and may be longer than 12 months in some circumstances (for example, where the revocation was due to certain civil penalties or criminal convictions, or if you have had your licence revoked on more than one occasion). If you do make an application before the cooling-off period has passed, it will be refused. The only exception to this is if your licence was revoked in error. If

this happens, we will contact you to arrange for it to be reinstated.

C10.17. The cooling-off period also applies if you surrender your licence while we were taking compliance action against you (but before we revoked your licence). In this case, the relevant cooling-off period runs from the date we accepted your notification of surrender.

C10.18. If you apply again after the cooling-off period, we will treat it the same as any other application. You will have to pay the correct fee and send in all relevant documents appropriate to the route in which you are applying. You must demonstrate you have addressed all reasons why your previous licence was revoked before you re-apply. If your licence was revoked for reasons relating to dishonesty or deliberate misconduct, we will require compelling evidence that you are now suitable to hold a sponsor licence.

C10.19. For further information, see 'Cooling-off period' in section L9 of [Part 1: Apply for a licence](#).

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Annex C1: circumstances in which we will revoke your licence

This annex sets out the circumstances in which we will revoke your sponsor licence. We may suspend your licence first while we consider the matter, but we reserve the right to revoke your licence immediately without suspending it. For further information, see sections C9 and C10 of this document.

Unless otherwise stated, 'you' or 'your' has the meaning given in the [glossary to this guidance](#).

Reference	Circumstances
a.	We find, after your licence has been granted, you knowingly gave false information on, or in support of, your sponsor licence application and, had you given the correct information, we would have refused your application.
b.	You are convicted of, or we find you have an unspent conviction for, a relevant offence listed in Annex L4 of Part 1: Apply for a licence .
c.	You stop having (or we find you never had) a trading or an operating presence in the UK. This could be for any reason, including, but not limited to: • you sell your business (this includes circumstances where this happens as a result of you becoming insolvent) • you go into liquidation, or sequestration is awarded, and you stop trading as a result • a court issues a bankruptcy order against you • you stop trading for any other reason See the glossary for a definition of 'operating or trading'.
d.	You are required to be registered with, or inspected or monitored by, a regulatory or oversight body, or licensed by a licensing authority, to operate or trade legally in the UK, and you stop being registered with or licensed by the relevant body or authority, or you were never so registered or licensed.
e.	You do not hold, or you stop holding appropriate planning permission or Local Planning Authority consent to operate your type/class of business at your trading address (where this is a Local Authority requirement).
f.	[Deleted.]

Reference	Circumstances
g.	You are issued with a civil penalty or charge under any of the following provisions and you are still liable once your objection and appeal rights have been exhausted: • section 32 of the Immigration and Asylum Act 1999: carrying clandestine entrants; • section 40 of the Immigration and Asylum Act 1999: carrying passengers without proper documents; or • section 24 of the Counter-Terrorism and Security Act 2015, or the Authority to Carry (Civil Penalties) Regulations 2015: bringing a passenger to the UK in breach of an authority to carry scheme Note: you will not be eligible to re-apply for your licence until at least 5 years has elapsed since you paid the relevant penalty or charge in full.
h.	You: • have been issued with 2 or more civil penalties for employing illegal workers under either: ○ section 15 of the Immigration, Asylum and Nationality Act 2006, or ○ regulation 11 of the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013; and • remain liable for the penalties once your objection and appeal rights have been exhausted; and • the civil penalty for at least one of those workers remains at the maximum amount once your objection and appeal rights have been exhausted Note: you will not be eligible to re-apply for your licence until at least 12 months has elapsed since you paid the civil penalties in full.
i.	Two or more civil penalties have been issued to an owner, a director or an Authorising Officer of your organisation (either individually or collectively) under section 23 or section 25 of the Immigration Act 2014 for authorising occupation of premises under a residential tenancy agreement by an adult who is disqualified, because of their immigration status, and that person is (or those persons are, as the case may be) still liable for those penalties once their objection and appeal rights have been exhausted. Note: you will not be eligible to re-apply for your licence until at least 12 months has elapsed since those civil penalties are paid in full.
j.	You are issued with a civil penalty for employing an illegal worker for a first breach, where the civil penalty is below the maximum amount, and either:

Reference	Circumstances
	• you failed to pay the civil penalty in full or set up a payment instalment plan within 29 days of the date that: ○ you were notified of liability for a civil penalty (if you did not object to the civil penalty) ○ your initial objection was rejected (if you did not subsequently appeal); or ○ your appeal is dismissed; or • you set up a payment instalment plan with us, but you default on that plan Note: you will not be eligible to re-apply for your licence until at least 12 months has elapsed since you paid the civil penalty in full.
k.	An owner, a director or an Authorising Officer of your organisation is issued with a civil penalty for authorising occupation of premises under a residential tenancy agreement by an adult who is disqualified, because of their immigration status for a first contravention, and either: • they failed to pay the civil penalty in full or set up a payment instalment plan within 29 days of the date that: ○ they were notified of liability for a civil penalty (if they did not object to the civil penalty) ○ their initial objection was rejected (if they did not subsequently appeal); or ○ their appeal was dismissed; or • they set up a payment instalment plan with us, but they default on that plan
l.	You have been downgraded to a B-rating and have not met one or more of the requirements of your action plan within the specified period.
m.	You have been B-rated twice during any rolling 4-year period in which you have held a sponsor licence and we would have downgraded you to a B-rating again, were it not for our policy that you cannot be B-rated more than twice during any rolling 4-year period.
n.	You have been downgraded to a B-rating, or have been given a B-rating after your licence was suspended, and have failed to pay the action plan fee within 10 working days, unless this is due to circumstances beyond your control.
o.	Subject to the exception below, a sponsorship management system (SMS) user you have appointed assigns their own Certificate of Sponsorship (CoS) or assigns a CoS to a close relative or partner of theirs. See the glossary for a definition of 'close relative or partner'.

Reference	Circumstances
	The only exception to this is where you are licensed on the UK Expansion Worker route and have a Provisional rating, in which case the Authorising Officer (who must also be the Level 1 User) can assign their own CoS.
p.	You have been downgraded to a B-rating and you assign a CoS to a worker you were not already sponsoring before you were downgraded.
q.	You use a CoS to fill a role other than the one specified on the CoS you assign for that role, unless the change is permitted by the Immigration Rules or this guidance and you have notified us of the change – see section S9 of Part 2: Sponsor a worker for further information on when a worker can change role without making a change of employment application.
r.	You give false information in any application for, or request to assign, a CoS, or a request to renew your annual allocation of CoS.
s.	The role undertaken by a worker you have sponsored does not match one or both of the following: • the occupation code stated on the CoS you assigned to them • the job description on the CoS you assigned to them
t.	You assign a CoS to a worker and on that CoS, or in the application for that CoS (if it is, or was, a Skilled Worker Defined CoS or a Tier 2 (General) restricted CoS) you stated any of the following: • you had carried out a resident labour consideration or resident labour market test (where this is, or was, a requirement of the route in which you are, or were, sponsoring the worker) and either you did not carry out the consideration or test, or the consideration or test you carried out did not meet the requirements set out in the relevant part of the sponsor guidance • the job was exempt from the resident labour consideration or resident labour market test, but it was not • you had complied with the creative codes of practice (where required), but you did not • the job was in an occupation listed Appendix Immigration Salary List (or its predecessors, Appendix Shortage Occupation List or Appendix K to the Immigration Rules), when it was not • the job is listed in Appendix Immigration Salary List (or its predecessors, Appendix Shortage Occupation List or Appendix K) for a specific country of the UK and the job is not based in that country

Reference	Circumstances
u.	You fail to assign a new CoS, and where required, fail to properly carry out a resident labour market test or comply with a code of practice, to any worker who needs to make a change of employment application. (See section S9 of Part 2: Sponsor a worker for guidance on when a change of employment application is needed.)
v.	Where you were required by this guidance, or the Tier 2 and 5 sponsor guidance previously in force, to carry out a resident labour market test for the job, or otherwise take into account the needs of the resident labour market, you assign a CoS to a migrant worker instead of employing a suitably qualified settled worker for the role (unless an exception to that requirement applies, or applied).
w.	You sponsor, or attempt to sponsor, a worker for a role that does not meet the definition of 'eligible role' in the glossary .
x.	You are, or you are acting as, an employment agency or employment business and you have supplied a worker you are sponsoring to a third party as labour.
y.	You are an employment agency or employment business and we grant a sponsor licence to you on this basis, but later find a worker you are sponsoring has been supplied to a third party as labour.
z.	We have reasonable grounds to believe the role for which you have assigned a CoS is not genuine – for example, because it: • does not exist • is a sham (including but not limited to where the CoS contains an exaggerated or incorrect job description to deliberately make it appear to meet the requirements of the route you assigned it under when it does not); or • has been created mainly so the worker can apply for entry clearance or permission to stay
aa.	You pay a sponsored worker less than you said you would on the worker's CoS, and either: • you have not notified us of the change in salary • the reduction is not otherwise permitted by the Immigration Rules or sponsor guidance
bb.	We reasonably suspect you have artificially inflated the salary of a worker to enable them to meet the relevant salary threshold for obtaining entry clearance, permission to enter, permission to stay or settlement (indefinite leave to remain).

Reference	Circumstances
cc.	You fail to meet one or more the requirements set out under 'Safeguarding children' in section L2 of Part 1: Apply for a licence .
dd.	You sponsor, or have sponsored, a worker on the Global Business Mobility – Service Supplier route (or as a as a contractual service supplier or an independent professional on the International Agreement route under the rules in force before 11 April 2022), or on the Global Business Mobility – Secondment Worker route, to service a contract which: • you have not told us about • you have told us about, but we have not yet confirmed that you can assign a CoS in connection with that contract; or • we have told you does not meet the requirements set for sponsoring Service Suppliers or Secondment Workers, as set out in the document Sponsor a Global Business Mobility worker.
ee.	Where it was a requirement at the time you assigned a CoS, you stated you would employ a worker in a shortage occupation listed in Appendix K to the Immigration Rules then in force, but you did not meet one or more of the sponsor criteria under those provisions.
ff.	You have assigned a CoS to a sportsperson or coach on the International Sportsperson route, T2 Sportsperson route or the sporting provisions of the T5 (Temporary Worker) Creative or Sporting Worker route without having a current endorsement from the appropriate sports governing body.
gg.	You pay any worker sponsored on the Charity Worker route more than reasonable expenses as defined in section 44 of the National Minimum Wage Act 1998 (as amended from time to time).
hh.	[Deleted – see Annex C2(y)]
ii.	You hold a licence for the Seasonal Worker route and the government department that supported your sponsor licence application withdraws its endorsement.
jj.	You hold a licence for the Seasonal Worker route and you allow your sponsored workers to fill job roles that are not: • seasonal roles in the horticultural sector (where the worker was assigned a Certificate of Sponsorship to work in that sector) • poultry work (where the worker was assigned a Certificate of Sponsorship to work in that sector for a period of time between 3 October and 31 December (inclusive) each year)

Reference	Circumstances
	For further information on eligible employment on this route, see Sponsor a Seasonal Worker .
kk.	You hold a licence for the Seasonal Worker route and your licensing by the Fair Work Agency (formerly the Gangmasters and Labour Abuse Authority) is revoked.
ll.	You hold a licence for the Seasonal Worker route and you charge your sponsored workers fees in excess of those to cover the administration of the scheme.
mm.	You hold a licence for the Seasonal Worker route and you use it to source your own labour needs.
nn.	You hold a licence for the Seasonal Worker route and place workers at an employment business or agency.
oo.	We have reasonable grounds to consider or suspect that your organisation has been established, or exists, mainly to facilitate the entry or residence of a person who would not otherwise have permission to work in the UK or do the work in question.

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Annex C2: circumstances in which we will normally revoke your licence

This annex lists the circumstances in which we will normally revoke your sponsor licence. We may downgrade or suspend your licence first while we consider the matter, but we reserve the right to revoke your licence immediately without downgrading or suspending it. For further information, see sections C8, C9 and C10 of this document.

Unless otherwise stated, 'you' or 'your' has the meaning given in the [glossary to this guidance](#).

Reference	Circumstance
a.	You fail to comply with any of your sponsor duties set out in section C1 of this document.
b.	You do not have in place the necessary processes and systems to be able to comply with your sponsor duties. For example, your internal communications may not be good enough for you to know if a sponsored worker has not reported for work.
c.	You: • have been issued with two or more civil penalties during the validity period of your licence for employing an illegal worker under either: ○ section 15 of the Immigration, Asylum and Nationality Act 2006, or ○ regulation 11 of the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013; and • remain liable for the penalty once your objection and appeal rights have been exhausted Note: if we revoke your licence, you will not be eligible to re-apply for your licence until at least 12 months has elapsed since you paid the civil penalty in full.
d.	You are sponsoring or employing a worker who is subject to immigration control and: • that worker does not have immigration permission to work in the UK or do the work in question; and • you have failed to carry the appropriate right to work checks as prescribed in 'Right to work checks: an employer's guide' or Appendix D to the sponsor guidance, or you could otherwise have

Reference	Circumstance
	been reasonably aware that the worker does not have the relevant immigration permission to do the work in question Where appropriate, we will also refer your case to the relevant Home Office team to consider issuing you with a civil penalty.
e.	You fail to co-operate with a compliance check, where required, or you delay compliance activity.
f.	You have provided a false statement or false information, or have not provided, when required, information that you held, to us or any other Government Department.
g.	You fail to provide to us, when requested and within the time limit given, either: • a document specified in Appendix D to the sponsor guidance • specified evidence you were required to keep for workers sponsored under the shortage occupation provisions in Appendix K to the Immigration Rules in force before 1 December 2020
h.	You do not supply when asked and within the specified time limit, any document we request to support any change you have reported via the SMS or the sponsor change of circumstances form .
i.	You have previously been named as 'Key Personnel' at an organisation where one of the following has occurred: • the organisation's sponsor licence (of any type) has been revoked within the last 12 months (or last 24 months if it was revoked on more than one occasion while you were named as Key Personnel) • you have been named as Key Personnel at more than one organisation which has had its sponsor licence revoked within the last 24 months • the organisation's application for a sponsor licence (of any type) has been refused within the last 6 months (and an exception in Annex L1(r) of Part 1: Apply for a licence does not apply) In relation to the first two bullet points, where the sole reason your licence was revoked was as a result of the process for 'Inactive SMS User accounts' described in section L4 of Part 1: Apply for a licence, we will disregard this when calculating any cooling-off period. See 'Checks we make on your personnel' below this table for further information on how we consider previous non-compliance.

Reference	Circumstance
j.	Any person who falls under the general definition of 'you' is legally prohibited from being, or becoming, a company director, unless a court has given permission for that person to act as a director, or to promote or form a business, and their role within the sponsor organisation would not contravene that permission.
k.	We find you have no Level 1 User in place who is able to undertake your day-to-day sponsorship activities or who meets the requirements set out in the 'Key Personnel' section (section L4) of Part 1: Apply for a licence. Note: the cooling-off period will be disapplied if your licence is revoked solely as a result of the process for 'Inactive SMS User accounts' described in section L4 of Part 1: Apply for a licence. In other circumstances, the cooling-off period will apply.
l.	[Deleted.]
m.	You have no Authorising Officer in place who meets the requirements set out in the 'Key Personnel' section (section L4) of Part 1: Apply for a licence .
n.	You have an unspent conviction for an offence not listed in Annex L4 of Part 1: Apply for a licence which we believe to be of relevance to you discharging your sponsor duties.
o.	You are or have been an owner, a director or an Authorising Officer of a sponsor institution that has been ordered to pay costs to the Home Office in any legal proceedings, and those costs have not been paid.
p.	You pay a sponsored worker in cash.
q.	You are, or were, liable to pay the Immigration Skills Charge in respect of a worker whom you are, or were, sponsoring, and you have asked that worker to pay some or all of the charge, or you have recouped, or attempted to recoup, some or all of the charge from them.
r.	The UK Government or United Nations (UN) has imposed sanctions on you which will be contravened by your continuing to have a sponsor licence.
s.	You assign a CoS to a Government Authorised Exchange worker for a period longer than has been authorised for your scheme and it has been used successfully in an application for entry clearance or permission to stay.
t.	You have sponsored more than 20 workers on the Intra-Company Graduate Trainee route in force before 11 April 2022 (or its

Reference	Circumstance
	predecessor, the Graduate Trainee sub-category of the Tier 2 (Intra-company Transfer) route in force before 1 December 2020) with start dates in the same financial year (6 April in one year to 5 April the following year).
u.	You assign an Undefined Skilled Worker CoS (or an unrestricted Tier 2 (General) CoS) to a worker who requires a Defined (or restricted) one.
v.	You engage in actions or behaviours that are not conducive to the public good .
w.	You hold a licence for the Seasonal Worker route and you fail to monitor, to our satisfaction, the welfare and other employment conditions of the workers you are sponsoring as specified in the Sponsor a Seasonal Worker guidance.
x.	You hold a licence for the Seasonal Worker route and you refuse reasonable requests from participating workers to change employers unless their visa will expire imminently.
y.	You are sponsoring workers on the Seasonal Worker route and within any 12-month period: • fewer than 95 percent of your sponsored workers are granted entry clearance (a visa) • 3 percent or more of your sponsored workers who obtain a visa fail to arrive at their place of employment; or • fewer than 97 percent of your sponsored workers who obtain a visa return overseas at the end of their stay
z.	You assign a Certificate of Sponsorship (CoS) to a worker who requires an Academic Technology Approval Scheme (ATAS) certificate (as set out in section S7 of Part 2: Sponsor a worker) but you stated on their CoS that they do not require such a certificate.
aa.	You are licensed on the Government Authorised Exchange route and the government department that endorsed your sponsor licence application withdraws its endorsement.
bb.	You are licensed on the Government Authorised Exchange route and you assign a Certificate of Sponsorship to a worker in a role, or on a scheme, for which you have not been specifically authorised to sponsor workers.
cc.	You assign a Certificate of Sponsorship (CoS) to a worker on any of the routes listed below and you have asked that worker to pay some or all of the charge for it, or you have recouped, or attempted to recoup,

Reference	Circumstance
	some or all of the charge for it, or any associated administrative costs, from the worker. The relevant routes are: • Skilled Worker, where the CoS was assigned on or after 31 December 2024 • the following routes, where the CoS was assigned on or after 9 April 2025: ○ any of the Global Business Mobility routes ○ Minister of Religion ○ International Sports person ○ Scale-up ○ Seasonal Worker
dd.	You have asked a worker you are sponsoring to pay some or all of the sponsor licence fee (including the fee for adding a route to an existing licence) and/or an associated administrative cost, or you have otherwise recouped, or attempted to recoup, by any means, some or all of the fee and/or cost from them – this applies where you recoup, or attempt to recoup, any such fee or cost on or after 31 December 2024 for Skilled Worker, or on or after 9 April 2025 for all other Worker or Temporary Worker routes.
ee.	You have assigned a Certificate of Sponsorship to sponsor a worker in a personal capacity, as defined in section L1 of Part 1: Apply for a licence.
ff.	We have reason to believe or suspect that you otherwise pose a risk to immigration control. This includes, but is not limited to, ensuring: • the good governance and integrity of the sponsorship scheme • the integrity of the wider UK immigration system

Checks we make on your personnel

We do not routinely undertake checks on persons associated with sponsors who do not fall under the general definition of ‘you’ or ‘your’. Such persons may include, for example, employees in positions of responsibility who are not directors or Key Personnel and financiers involved in the running of the institution. However, we reserve the right to do so and may ask you for information on such individuals as part of the application process and throughout the life of your sponsor licence. Where relevant, we may take into account the conduct of such persons in deciding what action to take.

Previous non-compliance may result in our revoking your licence where it is one of several grounds we have considered leading to the decision, or where it is warranted by the actions of that person and their previous organisation’s revocation.

The action we take will depend on:

- the seriousness of the past conduct (including conduct that led to revocation of a licence) and what you have done to improve the situation
- how long it is since the conduct took place and any mitigating circumstances
- concerns we may have about any of your associated persons or employees, and the role they have within your organisation – in particular, where they have been employed or associated with an organisation that has been removed from the sponsor list for abuse or serious non-compliance within the last 5 years
- whether we believe your previous criminal conduct has a bearing on your suitability to be a sponsor

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Annex C3: circumstances in which we may revoke your licence

This annex lists the circumstances in which we will consider revoking your sponsor licence. Generally, we will not revoke your licence if only one of these circumstances arises, but we reserve the right to do so, depending on the gravity of the issue. The more of these circumstances that are present, the more likely it is that we will revoke your licence.

We may downgrade or suspend your licence first while we consider the matter, but we reserve the right to revoke your licence immediately without downgrading or suspending it. For further information, see sections C8, C9 and C10 of this document.

Unless otherwise stated, 'you' or 'your' has the meaning given in the [glossary to this guidance](#).

Reference	Circumstance
a.	You: • have been issued a civil penalty (first breach) for employing an illegal worker under either: ○ section 15 of the Immigration, Asylum and Nationality Act 2006; or ○ regulation 11 of the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013; and • remain liable for the penalty once your objection and appeal rights have been exhausted Note: if we revoke your licence, you will not be eligible to re-apply for your licence until at least 12 months has elapsed since you paid the civil penalty in full.
b.	An owner, a director or your Authorising Officer is issued with a civil penalty (first breach) for authorising occupation of premises under a residential tenancy agreement by an adult who is disqualified, because of their immigration status during the validity period of your sponsor licence, and they are still liable once objection and appeal rights have been exhausted.
c.	You have been issued with a civil penalty not mentioned elsewhere in this guidance and we believe this is of relevance to your ability to carry out your sponsor duties or suitability to hold a sponsor licence.
d.	You or any organisation that you have been involved with in a similar role has had its authorisation to provide immigration advice or immigration services, as defined by section 82 of the Immigration and Asylum Act 1999, removed by the Immigration Advice Authority

Reference	Circumstance
	(formerly the Office of the Immigration Services Commissioner), or other designated professional body or designated qualifying regulator.
e.	We find that a worker you have sponsored or employed has not complied with the conditions (rules) of their permission to stay in the UK, other than conditions relating to employment, and you have not been following good practice guidance set out by us or a relevant sector body.
f.	Any of your sponsorship management system (SMS) Users disclose their SMS password or their multi-factor authentication one-time passcode to another person.
g.	You have, or, as far as you are aware, any organisation that you have been involved with in a similar role has, been issued with a penalty for failure to pay VAT or duty within the last 5 years.
h.	You were required to confirm, when assigning a Certificate of Sponsorship (CoS) to a worker, whether or not that worker requires an Academic Technology Approval Scheme (ATAS) certificate, but you failed to provide such confirmation.
i.	You are sponsoring a worker who requires an Academic Technology Approval Scheme (ATAS) certificate but they do not have such a certificate.
j.	You have been issued with a warning notice (not a civil penalty) under section 15 of the Immigration, Asylum and Nationality Act 2006 (employment of illegal workers) within the last 5 years.
k.	You hold a UK Expansion Worker licence and your Authorising Officer is refused entry to the UK.

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Annex C4: further help on mergers and takeovers

This annex gives examples of mergers, takeovers and similar changes to provide more information on the steps you need to take. You must also refer to section C4 of this guidance.

Example 1: takeover when the new owner already has a licence

Company A is a licensed Skilled Worker sponsor.

Company A is taken over by Company B.

Company B is a licensed Skilled Worker sponsor.

All of Company A's workers move to Company B with [TUPE or similar protection](#).

Both sponsors must report this change to us within 20 working days of the takeover.

Company A must confirm to us the details of the sponsored workers that are moving to Company B and that they are content to have their licence made dormant.

Company B must confirm that they are taking full sponsorship responsibility for any workers moving to them from Company A and provide the supporting evidence.

We will make Company A's sponsor licence 'dormant'. We will grant Company B limited access to Company A's licence records, sufficient for them to be able to report against the sponsored workers who have transferred to them.

Example 2: takeover when the new owner does not have a licence

Company A is a licensed Skilled Worker sponsor.

Company A is taken over by Company B.

Company B is not a licensed sponsor.

All of Company A's workers move to Company B with the TUPE or similar protection.

Company A must report this change to us within 20 working days of the takeover.

Company A must confirm the details of their sponsored workers moving to Company B and confirm that they are content to have their licence made dormant.

Company B must make an application for a sponsor licence within 20 working days of the takeover.

Once their licence is granted, Company B must confirm with us that they are taking full sponsorship responsibility for any workers moving to them from Company A with the supporting evidence.

We will make Company A's sponsor licence 'dormant' and grant limited access to it to Company B, sufficient for them to be able to report against the sponsored workers who have transferred to them.

If Company B is unable to make a successful licence application, the sponsored workers' permission will be cancelled.

Example 3: partial takeover when the new owner already has a licence

Company A is a licensed Skilled Worker sponsor.

Company A is taken over by Company B.

Company B is a licensed Skilled Worker sponsor.

Some of Company A's workers move to Company B under the TUPE or similar protection, others remain with Company A.

Both sponsors must report this change to us within 20 working days of the takeover.

Company A must confirm to us the details of the sponsored workers that are moving to Company B, and that they wish to retain their licence and continue to report on the sponsored workers they will still be employing. Company A may also wish to amend their Certificate of Sponsorship (CoS) allocation.

Company B must confirm that they are taking full sponsorship responsibility for any workers moving to them from Company A and provide supporting evidence for the transfer. Company B may also wish to increase their CoS allocation.

Company B must report on the workers that have moved from Company A. They will do this by emailing us the details.

Example 4: takeover but the change is one removed from the sponsor

Global Company G is selling part of its business. It will sell Company B, which owns Company A. Company B will remain the same company and will continue to own Company A.

Company A is a sponsor licence holder.

Company A does not have a new direct owner, as it is still owned by Company B - the change of ownership is one removed from Company A. (It is Company B whose ownership has changed, not Company A's.)

Company A must tell us of the changes via the SMS. It is likely that provided there is no change to Company A's operations and to the jobs, terms and conditions of its workers, Company A will not require a new licence and can carry on as before.

Example 5: takeover when the overall owner remains the same but the immediate owner changes

Global Company G is restructuring. It owns 100% of Company A through a holding company (Company B).

Company A is a sponsor licence holder.

Global Company G establishes a new holding company (Company H) and transfers Company A to Company H.

Global Company G still owns 100% of Company A through Company H.

Company A has a new direct owner and must apply for a new licence to continue to employ the workers. TUPE or similar protection will not apply because there is no change of employer, but workers can be moved to the new licence without having to make a change of employment application.

Company A must report the change within 20 working days via the old licence.

Once the new licence is granted, Company A must confirm with us that they are taking full sponsorship responsibility for any workers under the new licence and provide the supporting evidence.

Example 6: takeover when TUPE is not triggered but employees can be transferred

Company M is a sponsor licence holder. It transfers the controlling number of its shares to a private individual who has had no prior involvement with Company M.

Company M continues to trade and there are no other changes.

Company M must report this to us and must make a new application for a sponsor licence with 20 working days of this change taking place. TUPE or similar protection will not apply because there is no change of employer, but workers can be moved to the new licence without having to make a change of employment application.

Once the new licence is granted, Company M must confirm with us that they are taking full sponsorship responsibility for any workers under the new licence and provide the required evidence.

Example 7: restructuring where another branch can act as sponsor

Global Company G owns a portfolio of brands, trading across the world under the respective brand names where Company G is the ultimate parent company. Company G has several branches in the UK.

- Branch A, a licensed sponsor, is to be wound up. Its employees will move under TUPE or similar protection to Branch B
- Branch B is not a licensed sponsor
- Branch A will finish trading and must tell us of this within 20 working days of it finishing trading
- Branch B must apply for a sponsor licence, and send the supporting evidence, within 20 working days of Branch A's workers transferring to them

Example 8: sponsorship transfers to parent company but employer remains the same (non-TUPE)

A parent company, Company P, has 4 entities in the UK:

- Company A
- Company B
- Company C
- Company D

Company P, and each entity listed above, has its own sponsor licence. Each entity is also listed as a branch of Company P.

Company P wishes all sponsorship to be transferred to it. Therefore, workers who were previously sponsored by A, B, C or D will now be sponsored by P. However, they will continue working for the same employer (A, B, C or D) and there will be no other changes to their employment.

This is not a merger or takeover, rather it is a movement of human resources function to the parent company. We allow this but only if we are satisfied that the parent company is capable of effectively carrying out its sponsorship duties in respect of all the workers it now wishes to sponsor. We may need to ask for additional information from, or undertake a compliance check of, the parent company to establish this.

If we approve the change, there is no requirement for the workers previously sponsored by A, B, C or D to make a new application for permission to stay, provided they are continuing to work for the same employer, and in the same occupation code, specified in the CoS that led to their last grant of permission, and they otherwise continue to meet the requirements of the route on which they are being sponsored (including any salary or skill-level requirements). See section S9 of [Part 2: Sponsor a worker](#) for information on when sponsored workers need to make a 'change of employment' application.

Since Company P wishes to take over all sponsorship, each branch affected by the change will need to surrender its own licence and report, via SMS, the details of each worker whose sponsorship is being transferred to Company P. The branch licences will be made dormant to allow Company P to report on them. Company P must confirm to us that they are taking full sponsorship responsibility for any workers under their licence.

If, in the scenario above, Company P did not have its own licence in the relevant route, it would have to apply for one within 20 working days of the change, and that application would have to be approved before it could sponsor the affected workers.

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