

Current issues with sponsorship of Migrant Workers

Key Challenges and Practical Insights for
Care Providers

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Agenda

- Sponsor Licence Revocation (including Case Study)
- Renewing sponsorships
- Concerns around 20 hours of work
- Sleep-in time and 20-hour limit
- Indefinite Leave to Remain provisions
- Question & Answer

Sponsor Licence Revocations

The UK Home Office revoked nearly 2,000 sponsor licences in the 12 months ending June 2025, specifically 1,948 according to recent data, more than double the 937 revoked in the previous 12-month period. This marks a record high in enforcement action driven by serious breaches in sectors like care, hospitality, and retail.





Sponsor Licence Revocations

[Healthcare Lodge Ltd, R \(On the Application Of\) v Secretary of State for the Home Department \[2026\] EWHC 350 \(Admin\) \(18 February 2026\)](#)

Background

The ex-Sponsor (Southcroft Healthcare Lodge Ltd) is a care provider with 16 care homes and over 100 employees. The organisation previously held a Sponsor Licence. The Home Office audited and visited the Sponsor on 4 May 2023 and 25 May 2023. The licence was subsequently suspended and revoked.



Sponsor Licence Revocations

[Southcroft Healthcare Lodge Ltd, R \(On the Application Of\) v Secretary of State for the Home Department \[2026\] EWHC 350 \(Admin\) \(18 February 2026\)](#)

Breaches by the sponsor

- **Improper Assignment of Certificates of Sponsorship (CoS):** 97 CoS were assigned under SOC code 6145 – (now 6135) (care workers), despite the organisation not being CQC registered.
- **Salary Issues:** The salary stated on the CoS was not being paid to sponsored workers.
- **Security Breaches:** Password sharing was identified for accessing the Sponsor Management System (SMS).
- **Right to Work Checks:** There was a lack of evidence demonstrating compliance with Right to Work checks.
- **Key Personnel Failures:** Key Personnel were unaware of their reporting duties and failed to make necessary reports.
- **Monitoring & Systems Failures:** Inadequate systems were in place to monitor visa expiry dates and unauthorised absences.
- **Occupation Code Selection:** Concerns were raised about whether the assigned roles were consistent with the Occupation Code provided.

Sponsor Licence Revocations

Southcroft Healthcare Lodge Ltd, R (On the Application Of) v Secretary of State for the Home Department [2026] EWHC 350 (Admin) (18 February 2026)

Sponsors response and appeal

Ground	Argument to the Secretary of State:	Decision Noted:
1	failed to appreciate that a finding of dishonesty or bad faith was required in respect of the question of genuine vacancy and, in any event, he failed to make reasoned and rational findings on that question.	The Sponsor is responsible for assigning the correct SOC code. The timing that UKVI found the incorrect SOC code is not relevant, as Sponsorship operates on trust and responsibility.
2	failed to ask the correct question or make reasoned and rational findings on the question of wages paid to the sponsored workers.	This concerned the time the workers were employed and paid. UKVI should not need to wait for a full year to assess if correct pay has been made to a sponsored worker.
3	failed to ask the correct question or make reasoned and rational findings on the question of sharing an SMS password.	Password sharing is not permitted and a reason to revoke the licence. It was admitted during the compliance audit.
4	misconstrued the Guidance and erred in law in holding that the Claimant does not have a system in place to monitor visa expiry dates.	The introduction of a new HR system could have been considered as a mitigating factor, but it was deemed insufficient. No evidence was provided that it was implemented or worked.
5	misconstrued the Guidance and erred in law in holding that the Claimant has not provided requested documents pursuant to it.	The Secretary of State is allowed to request 'any' documents, and failure to provide them can justify revocation. Documents were not provided, and explanations were insufficient. A single breach of a mandatory requirement is sufficient to justify revocation.
6	failed to conduct an adequately reasoned global assessment of all relevant considerations in deciding whether to revoke or downgrade the sponsor licence.	Downgrading the licence as an alternative to revocation was within discretion but was not deemed appropriate. UKVI is not required to assess the impact of revocation on the claimant's business, employees, service-users, or the wider social care sector etc.



Sponsor Licence Revocations

[Southcroft Healthcare Lodge Ltd, R \(On the Application Of\) v Secretary of State for the Home Department \[2026\] EWHC 350 \(Admin\) \(18 February 2026\)](#)

Key Takeaways

- Ensure job descriptions are accurate.
- Use the correct SOC code for roles.
- Pay employees and workers correctly and in line with sponsorship requirements.
- New SW sponsor guidance March 2026 - Skilled Worker sponsors must now ensure that the salary stated on the CoS is paid at or above the minimum salary requirement in every pay period. Previously the minimum salary requirement was met through an assessment of what was paid on an annual basis.
- Report changes to the Home Office promptly via the SMS and within the required timeframe.
- Maintain robust systems to monitor visa expiry dates and ensure compliance.
- Respond to Home Office requests promptly and comprehensively.
- Proactively review sponsorship processes and address potential breaches.



Renewing Sponsorships.

Importance of timely renewals

- Standard service for undefined COS requests can take up to 18 weeks
- Priority service – only 100 slots a day
- Critical to provide full justification when requesting increase:
 - Name of employee/individual you are seeking to sponsor or extend visa (if known);
 - Job title/Salary/Hours of work
 - SOC code you are matching role to

Other considerations

- Ensure your sponsor summary page is up to date;
- All requests are reviewed by a case officer and almost all requests from care providers will receive a request for further information;
- Ensure documents are provided promptly and complete;
- Home Office will not offer extension



Concerns Around 20 Hours of Work.

An employee who is on a skilled worker visa, can complete an additional 20 hours per week supplementary employment; If the employees skilled worker visa is curtailed, will they still be allowed 20 hours per week?

Right to work guidance – updated July 2025:

“The supplementary employment will only be permitted if the sponsored worker continues to work for their sponsor”

“In order to obtain a statutory excuse against a civil penalty, you are required to confirm that the worker has the right to work in the UK and is allowed to carry out the work in question. When carrying out the check, you will need to ensure that the supplementary employment meets the requirements by, for example, asking the worker to provide a letter or other evidence from the sponsor confirming:

- *They’re working for their sponsor*
- *The job description and occupation code of their sponsored employment*
- *Their contractual working hours”*

“You will no longer have a statutory excuse if, during the course of employment, you become aware that a sponsored worker is working in breach and you continue to employ them in spite of that knowledge.”



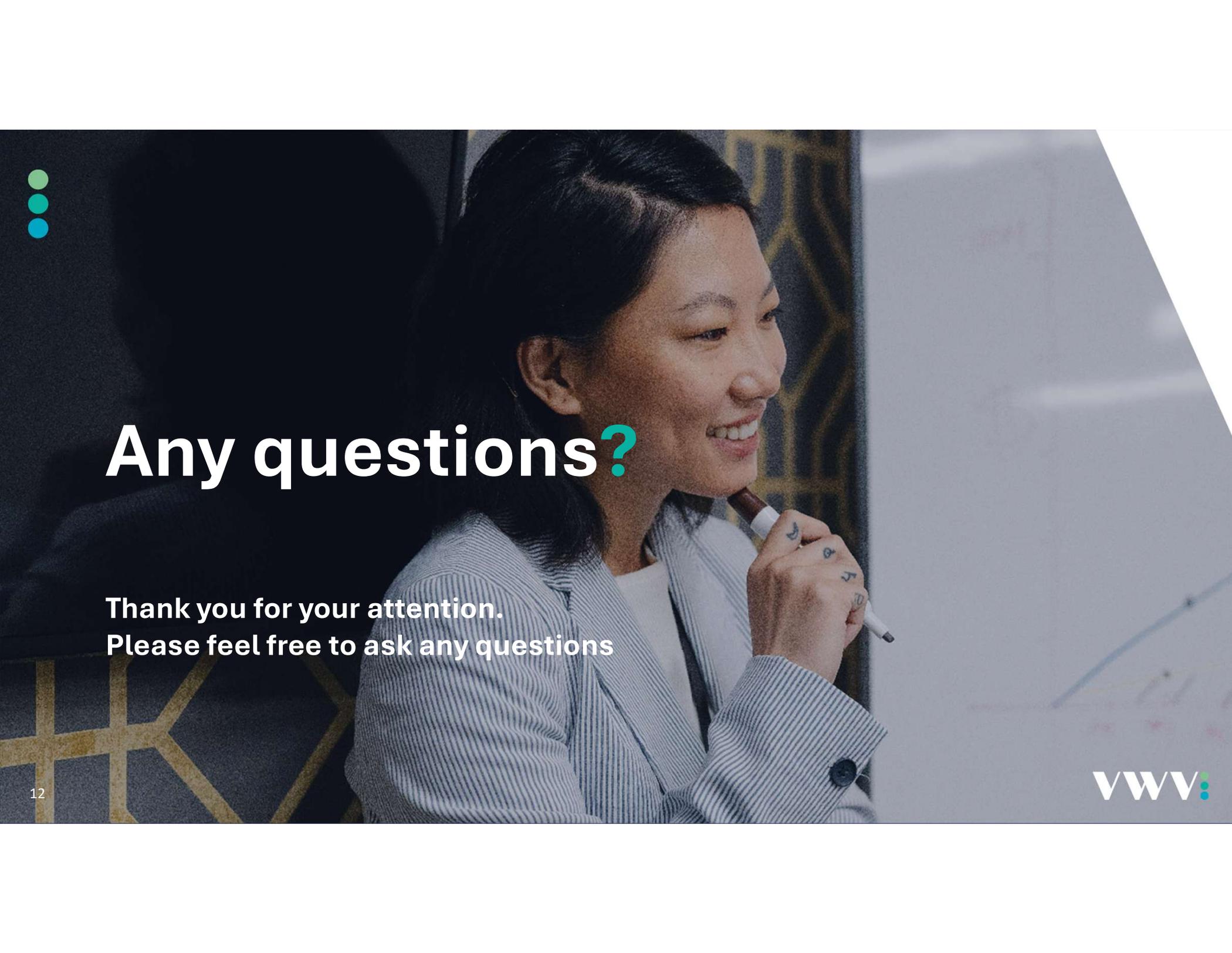
Sleep-in Time and the 20-hour Limit.

- Sponsor Guidance refers to both paid and unpaid employment, self-employment, and professional activities. However, it does not expressly address 'sleep-in' shifts.
- The wording of Civil Penalty Notices suggests that the Home Office considers sleep-ins as paid employment, as sponsored workers are required to remain on-site and cannot leave due to the nature of the work.
- While National Minimum Wage case law suggests that sleep-ins might not count towards the 20-hour limit, the Working Time Regulations do include sleep-ins in their calculations.
- Employers should review their employment practices to ensure that sleep-ins are included in the 20-hour calculation, so they do not breach the visa conditions of these migrant workers.



Indefinite Leave to Remain

- Earned settlement provisions
- Consultation completed in February 2026, government reviewing responses
- Discontentment and confusion
- Appears that changes will occur in Autumn 2026
- Retrospective changes



Any questions?

**Thank you for your attention.
Please feel free to ask any questions**



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