



National Audit Office



REPORT

Immigration: Skilled Worker visas

Home Office

SESSION 2024-25
17 MARCH 2025
HC 745



We are the UK's independent public spending watchdog.

We support Parliament in holding government to account and we help improve public services through our high-quality audits.

The National Audit Office (NAO) scrutinises public spending for Parliament and is independent of government and the civil service. We help Parliament hold government to account and we use our insights to help people who manage and govern public bodies improve public services.

The Comptroller and Auditor General (C&AG), Gareth Davies, is an Officer of the House of Commons and leads the NAO. We audit the financial accounts of departments and other public bodies. We also examine and report on the value for money of how public money has been spent.

In 2023, the NAO's work led to a positive financial impact through reduced costs, improved service delivery, or other benefits to citizens, of £1.59 billion. This represents around £17 for every pound of our net expenditure.

Immigration: Skilled Worker visas

Home Office

Report by the Comptroller and Auditor General

Ordered by the House of Commons
to be printed on 13 March 2025

This report has been prepared under Section 6 of the
National Audit Act 1983 for presentation to the House
of Commons in accordance with Section 9 of the Act

Gareth Davies
Comptroller and Auditor General
National Audit Office

11 March 2025

Value for money reports

Our value for money reports examine government expenditure in order to form a judgement on whether value for money has been achieved. We also make recommendations to public bodies on how to improve public services.

The material featured in this document is subject to National Audit Office (NAO) copyright. The material may be copied or reproduced for non-commercial purposes only, namely reproduction for research, private study or for limited internal circulation within an organisation for the purpose of review.

Copying for non-commercial purposes is subject to the material being accompanied by a sufficient acknowledgement, reproduced accurately, and not being used in a misleading context. To reproduce NAO copyright material for any other use, you must contact copyright@nao.org.uk. Please tell us who you are, the organisation you represent (if any) and how and why you wish to use our material. Please include your full contact details: name, address, telephone number and email.

Please note that the material featured in this document may not be reproduced for commercial gain without the NAO's express and direct permission and that the NAO reserves its right to pursue copyright infringement proceedings against individuals or companies who reproduce material for commercial gain without our permission.

Links to external websites were valid at the time of publication of this report. The National Audit Office is not responsible for the future validity of the links.



Contents

Key facts 4

Summary 5

Part One

Background 14

Part Two

Adjusting the Skilled Worker
visa route 24

Part Three

Managing the Skilled Worker
visa system 32

Appendix One

Our audit approach 49

This report can be found on the National Audit Office website at www.nao.org.uk


If you need a version of this report in an alternative format for accessibility reasons, or any of the figures in a different format, contact the NAO at enquiries@nao.org.uk


The National Audit Office study team consisted of:


Richard Baynham,
Rebecca Mavin, Honor Bouverie
and Emily Crowston, under the
direction of Oliver Lodge.

For further information about the National Audit Office please contact:

National Audit Office
Press Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

 020 7798 7400

 www.nao.org.uk

 @NAOorguk

Key facts

110,500

organisations registered as sponsors for the Skilled Worker visa route in 2024

509,100

Skilled Worker visa applications received by the Home Office in 2023

£3,656

the minimum cost to an applicant for a three-year Skilled Worker visa, as at February 2025

Applications to the Skilled Worker visa route have increased significantly:

- 101%** increase in visa applications between 2021 and 2024, from 127,300 to 256,300
- 185%** increase in the number of registered sponsors between 2021 and 2024, from 38,800 to 110,500
- 648,100** applications for Health and Care Worker visas since the Skilled Worker route was expanded to include care workers in 2022

The Home Office has maintained its performance processing Skilled Worker visas:

- 94%** of 1.03 million 'straightforward' Skilled Worker visa applications were processed within the Home Office's service standard times since January 2023
- 86%** average customer satisfaction score since 2023

The Home Office has increased its compliance activity on the route:

- 79%** of Skilled Worker visa applications were approved in the last quarter of 2024, compared with 99% in 2021
- 1,494** sponsor licences revoked by the Home Office in 2024 due to non-compliance, compared with 273 in 2022

Summary

1 The Skilled Worker visa route is the main immigration route for people to apply to work in the UK. The government opened the route in December 2020 following the UK's exit from the European Union, which ended European free movement rights. Its aims were to deliver a fair and flexible visa system which enables the UK to attract the skills it needs and support wider plans for economic growth. The government aimed to support employers to recruit skilled workers from overseas, alongside wider initiatives to encourage them to train and invest in the UK's workforce. The route allows UK employers to sponsor overseas workers in eligible roles, provided the salary exceeds a minimum threshold. It also allows some visa holders to bring their family members, enabling them to live and work in the UK. The government can flex entry requirements to respond to changes in government policy and economic needs.

2 The number of people applying for Skilled Worker visas has increased significantly, from 127,300 in 2021 to 256,300 in 2024, with a peak of 509,100 in 2023.¹ This has been driven by increased Health and Care Worker visa applications – from 65,600 in 2021 to a peak of 383,700 in 2023 – after the government changed immigration rules for the sector in 2022. The cost of running the Skilled Worker visa system was around £109 million in 2023-24. In the same year, The Home Office generated an income of approximately £438 million from Skilled Worker visas. It is able to use this income to fund all areas of its work on immigration.

3 The Home Office is responsible for immigration policy, including controlling immigration, and considering applications to enter the UK. Its UK Visas and Immigration Directorate is responsible for managing the Skilled Worker visa system, making decisions on applications and ensuring people and employers remain compliant with visa requirements. Responsibility for designing immigration rules and addressing non-compliance is spread across the department.

¹ As the route was introduced in 2020, the extent to which application numbers were impacted by the COVID-19 pandemic is not clear.

Focus of our report

4 This report examines how the Home Office manages the Skilled Worker visa route. We assessed whether the Home Office:

- has as an effective approach to adjusting the entry requirements to respond to changes in government policy and economic needs (Part Two); and
- is effectively monitoring and managing the performance of the system (Part Three).

5 The report recognises that the Home Office must manage competing priorities from the government's immigration policy and skills agenda. We examined the Home Office's approach to making changes to the route, assessing its processes, use of evidence, and engagement with other government departments. We focused on the Home Office's approach to understanding the consequences of changes to entry requirements, in terms of how the route was operating and the potential impacts. Our assessment of the Home Office's management of the route focused on its performance in providing good customer service and effectively tackling non-compliance, including its mechanisms for strengthening its approach. Details of our audit approach are set out in Appendix One.

Key findings

The Home Office's stewardship of the Skilled Worker visa route

6 The Skilled Worker visa route is designed to offer flexibility to respond to changes in government policy and economic needs. In 2020, the government introduced the Skilled Worker visa route to mitigate the impacts of EU Exit on the labour market and attract skilled workers to the UK. It aimed to enable employers to recruit the skills they need as part of the government's objective to create a high skill economy. Since then, the Home Office has adjusted entry requirements to respond to government policy on immigration and changing economic needs. For example, in 2022, it eased entry requirements for care workers to help the sector address skill shortages and the increased demands created by the COVID-19 pandemic. In March 2024, the Home Office tightened entry requirements in response to the government's intention to reduce net migration (paragraphs 2.1 to 2.3).

7 Changes to the Skilled Worker visa route have not always been based on a full assessment of potential impacts. When considering entry requirements, the Home Office must balance government immigration policy with the route's objective to enable employers across different sectors to recruit the skills they need. Ultimately, changes to immigration rules are subject to collective government agreement. In considering potential changes to the Skilled Worker visa route, the Home Office has engaged with other departments and, in particular, worked collaboratively with the Department of Health and Social Care on the social care sector. It has drawn on evidence from the Migration Advisory Committee and has forecast the effects on migration flows and economic impacts. However, it did not produce an impact assessment before changing the rules on care workers in 2022 and the Migration Advisory Committee has not always had sufficient time to undertake a full analysis of the use of the route. Further, the Spring 2024 changes to reduce the use of the route were made with more limited consultation or analysis of the potential consequences for different sectors or types of business (paragraphs 2.4 to 2.10).

8 The Home Office does not have a full understanding of how the Skilled Worker visa route is operating. More people are using the Skilled Worker visa route than the Home Office anticipated in 2020. It forecast that it would issue 360,000 Skilled Worker visas to people entering the country over the first three years but has issued 931,000 visas over this period. This has brought benefits. In December 2024, the Migration Advisory Committee conducted analysis which suggests that, on average, migrants on Skilled Worker visas have a positive net fiscal impact on government finances. However, the higher-than-anticipated use of the route also has consequences, such as an 80% increase in people staying permanently in the UK in 2024, compared with 2021; a 360% increase in the number of family members (dependants) entering the UK annually, from 55,200 in 2021 to 254,100 in 2023; and the number of people claiming asylum after entering the UK on a Skilled Worker visa rising from 53 in 2022 to 5,300 in 2024.² The Home Office reviewed the use of the route in 2022 but has not assessed the impact of changes to entry requirements or evaluated the route since its expansion to include care workers. As a result, it does not fully understand how the route is being used, its contribution to the economy, or impacts on skill shortages across different sectors and regions. Further, it does not monitor what happens to people at the end of their visa period. The Home Office has commissioned an evaluation of the route, which will report in 2025 (paragraphs 2.11 to 2.14).

2 After five years, Skilled Worker visa holders can apply to settle permanently in the UK.

9 The Home Office and other departments have not always collaborated effectively on the role that immigration plays across different sectors.

The Home Office's increased focus on tackling non-compliance and controlling migration has led to 252,700 fewer Skilled Worker visa applications in 2024, compared with 2023, a 50% reduction. Employers in sectors such as IT, science and engineering professions, where salaries are traditionally higher, have continued to use the route to address skill shortages. However, higher salary thresholds have restricted use of the route in other sectors, including public sector vets, butchers working in abattoirs, construction and architecture. There are also marked regional variations, with the route used less in some regions, such as the North East. The government's original intention was for the recruitment of overseas workers to complement initiatives to grow the domestic labour market. However, there has been limited collaboration with departments on immigration and skills policies, although the Home Office told us this has been hampered by the maturity of labour market strategies. The health and social care sector continues to experience workforce shortages at a time that rule changes are reducing the potential to recruit internationally. Skills for Care projected that demand for social care posts will increase by 430,000 by 2035. However, following the Spring 2024 rule changes, the Home Office estimated the number of Health and Care Worker visas could reduce by 385,000 over 10 years (paragraphs 1.9, 2.15 to 2.18).

The Home Office's management of the route

Customer service

10 Since January 2023, the Home Office has processed 94% of 'straightforward' applications within its service standards but cases which require further information from the applicant are excluded. The Home Office balances processing applications quickly to help employers recruit people with conducting checks to test the genuineness of the application. Since 2023, the Home Office has processed 94% of 'straightforward' applications (970,200 cases) within service standards – slightly below its target of 98.5%.³ However, it classifies applications as 'complex' when the applicant has not provided all the necessary information, or further checks are required. These cases are removed from processing targets. Since October 2021, it classified 18% of applications as 'complex' (330,300 cases), with the proportion rising as high as 31% in busy periods. In 2024, the Home Office improved its performance in processing sponsor licence applications, reducing the average time to 34 days – below its target of eight weeks. There is scope to improve processing efficiency by supporting caseworkers to get decisions right first time and strengthening feedback loops to tackle the root causes of failure demand (paragraphs 3.2 to 3.6).

³ Service standards are to process out-of-country applications within three weeks and in-country applications within eight weeks, with the exception of Health and Care Worker visa applications which all have a three week target.

11 Applicants are generally satisfied with visa processing, but insufficient management information limits the Home Office's understanding of the service.

The Home Office seeks feedback on its customer service from applicants. Since 2023, 86% have been satisfied with the application service, above the Home Office's target of 80%. The Home Office provides support to applicants and sponsors and engages with stakeholders to seek feedback. However, it has not made effective use of all management information to develop a full understanding of its customer service. For example, it does not analyse complaint actions and does not have good management information on the outcomes of administrative reviews. This limits its ability to understand the causes of problems and improve the service it offers. Stakeholders told us that the sponsor guidance is complicated and difficult to navigate, with limited support available for those who struggle (paragraphs 3.7 to 3.10).

12 The Home Office is making progress in modernising the Skilled Worker visa system although this is taking longer than expected.

In 2020, the Home Office set out its vision of a quicker, digitised application process for visa applicants, including extending its IT caseworking system to process Skilled Worker visa applications and making improvements to the sponsorship system. It has implemented changes to streamline visa systems for people entering the UK, such as the introduction of eVisas. However, its planned transformation of the sponsorship system on the Skilled Worker visa route has been delayed, with the replacement of the existing system extended from 2023 to 2028 and decommissioning of the old IT system delayed by a year. The Home Office also needs to address operational issues with the IT system used for processing applications and make further changes to provide full functionality and management information. The Home Office told us that, with finite digital resources, it prioritised demands to implement other visa transformation programmes and introduce new visas, such as the Ukraine resettlement scheme and the High Potential Individual route (paragraphs 3.11 to 3.14).

Tackling non-compliance

13 The Home Office was initially slow to respond to the risks associated with the Skilled Worker visa route but has strengthened its approach. The Home Office did not conduct a thorough risk assessment when the route was introduced and was not prepared to manage the increased risks when care workers were added in 2022. It has since enhanced its approach to tackling non-compliance with visa and sponsorship conditions. It has started digital audits; established a Risk Hub to centralise risk identification; and introduced new checks to identify and target high-risk cases, and technology to check suspicious payments. It has also diversified and increased compliance work, referring 1,257 cases for compliance checks in the first 11 months of 2024, compared with 647 in 2023 and 122 in 2022. As a result, the approval rate on applications has reduced from 99% in 2021 to 79% in 2024 and the refusal rate has risen from 7% to 13% on sponsor licence applications. The Home Office revoked 1,494 sponsor licences in 2024, compared with 337 in 2023 and 273 in 2022. However, despite increased compliance work, resource constraints have meant that just 1% of sponsors have been referred for compliance checks, with over half of live cases awaiting a compliance visit (paragraphs 3.15 to 3.20).

14 The Home Office does not have all the data it needs to address non-compliance risks. In 2024 it published a new compliance strategy, focusing on risk identification and intelligence. However, it has not yet developed a systematic assessment of risks and has limited data on the extent of workplace exploitation and sponsor compliance with requirements of the route. We identified the potential to make better use of data to help understand and manage risks.

- There are limited data on the outcomes of compliance activity which makes it difficult to assess the relative effectiveness of different types of compliance work.
- There is scope to strengthen checks on applications by better data sharing with other departments such as HMRC.
- There are limited data on people who remain in the UK after their visa expires, including what happens to people who do not continue working in the role they were sponsored for, and those who stop engaging with the Home Office (paragraphs 2.13, 3.21 to 3.22).

15 The government's approach to tackling the risks of migrant exploitation is not joined up. There is widespread evidence of exploitation in the social care sector, with increasing concerns about debt bondage, long working hours and exploitative conditions. There are no robust data on the extent of abuse. The Home Office is responsible for enforcing immigration rules and anti-slavery legislation, but other government bodies are responsible for regulating labour markets and tackling exploitation. The Public Accounts Committee has also recommended that the Department of Health and Social Care lead the sector in addressing the risks associated with international recruitment. There is insufficient clarity on respective responsibilities, including sector regulators and local government, which means that enforcement and safeguarding activity is fragmented. For example, despite efforts to improve communication, local authorities are not always aware when sponsor licences have been revoked, leaving people to remain in the UK without a valid visa. The Gangmasters and Labour Abuse Authority has estimated that 34,000 people in the care sector have been affected by the Home Office revoking sponsor licences (paragraphs 3.23 to 3.26).

Conclusion on value for money

16 The Skilled Worker visa route is a flexible mechanism which allows the government to adjust entry requirements to balance immigration policy with the need to address skill shortages in the UK. While the route continues to support many employers in recruiting overseas workers, the Home Office has made changes without a detailed understanding of potential impacts across different sectors and regions. Further, the Home Office and departments have not collaborated effectively on the role that immigration plays across different sectors of the labour market. In terms of managing the visa system, the Home Office has processed large volumes of applications effectively and has strengthened its approach to tackling non-compliance risks. But it could make better use of data to understand the implications of changes to the route and manage the consequences, both to improve customer experience and prevent visa applicants from being exploited. Without this understanding, the Home Office cannot be confident it is achieving value for money from its management of the Skilled Worker visa route.

Recommendations

17 In 2025, the government intends to publish an Immigration white paper, including plans to reduce migration. It also announced that it will consider how to flex the visa system to continue to attract highly skilled workers to the UK to support economic growth. The government is seeking to link immigration and skills policies through the Migration Advisory Committee, Skills England, the Industrial Strategy Council and the Labour Market Advisory Board working together. Our recommendations are intended to help the Home Office strengthen its stewardship of the Skilled Worker visa system to support a coherent approach. Other departments also have a role to play in developing sector-based skills strategies and providing evidence on the impacts of changes.

18 The Home Office should:

- a** in the next six months, work with the Migration Advisory Committee, Skills England, the Industrial Strategy Council and Labour Market Advisory Board to establish an agreed methodological approach to better understand the role that immigration can play in addressing skills shortages across different sectors of the labour market. This should identify the data that are needed, how they will be collected, processed and brought together, and how the insights will be used to inform future changes to visa entry requirements so they are based on a thorough understanding of the potential impacts on labour markets and the risks posed by exploitation;
- b** improve its understanding of the extent to which the Skilled Worker visa route is meeting its objectives by:
 - completing and publishing its evaluation of the Skilled Worker visa route within the next three months;
 - complete an assessment of what happens to people at the end of their visa period by the end of 2025, five years after the route was introduced; and
 - identify the data it needs – including from other departments – to allow it to better understand how the route is being used on an ongoing basis;
- c** improve efficiency and customer service by using an analysis of its existing management information on operational performance, including from customer surveys, contacts, complaints and appeals, to produce a service improvement plan that identifies service issues, actions to resolve them, and creates a new dashboard to provide a more complete view of service quality from a customer perspective – this might include devising a way to improve how customers are kept informed throughout the application process;

- d** strengthen its approach to tackling non-compliance with visa conditions and potential labour market abuses by:
- explicitly evaluating non-compliance risks when considering any expansion of the Skilled Worker visa route to include new occupations;
 - reviewing sector-specific risk assessments every six months to develop and refresh its understanding of evolving non-compliance risks; and
 - evaluating the effectiveness of different types of compliance interventions;
- e** before the end of 2025, work with relevant government agencies and stakeholders to establish new working arrangements to develop a more effective joined-up approach to tackling exploitation of visa holders. Specifically, these should:
- identify ways to improve communication with overseas applicants to ensure that they have the necessary information on and support with the Skilled Worker visa route;
 - review data-sharing arrangements with local authorities and HM Revenue & Customs to identify the refinements necessary to improve its ability to identify potential labour market abuses and improve safeguarding for people whose status is jeopardised by the cancellation of sponsor licences; and
 - establish ways of working with the Fair Work Agency to improve labour market standards for migrants on Skilled Worker visas.

Part One

Background

1.1 In 2008, the government introduced a points-based system to manage the flow of migrants from outside the European Union to work in the UK. We reported on this system in 2011, finding that while it provided an adaptable way to meet the UK's policy objectives, it was not yet delivering value for money.

1.2 Following the UK's exit from the European Union on 31 January 2020, the government introduced the Skilled Worker visa system to attract high-skilled workers to the UK. Given the end of European free movement rights, the new route treated EU and non-EU citizens equally. The Home Office is responsible for controlling immigration and considering applications to enter and stay in the UK. It opened the route on 1 December 2020 with the aims to:

- introduce a fairer and simpler immigration system;
- fit with wider government objectives to create a high-skill economy, focusing on the skills and contributions individuals can make;
- enable employers to recruit the skilled workers they need, and ensure labour market pressures in key sectors are managed effectively; and
- ensure applicants and their sponsors benefit from a simpler, fairer and faster immigration system, which they can use with confidence.

The government introduced the system alongside a wider package of measures to support growth in the UK. It aimed to create incentives for employers to invest in growing the domestic workforce while enabling them to recruit highly skilled individuals from around the world to help fill vacancies.

1.3 The Home Office aimed to introduce a flexible process for applicants and employers who meet the route's eligibility requirements. The main changes to the previous system were:

- reduced skills thresholds – the minimum skill level was lowered from degree to A level-equivalent qualifications, doubling the number of eligible occupations;
- the removal of the requirement for employers to demonstrate that vacancies could not be filled by UK workers, to help attract a wider pool of workers and expedite the process for employers; and

- a move away from a numerical target on skilled workers entering the UK, suspending the cap on the number of visas available to workers from outside of the European Economic Area each year.

1.4 Based on advice from the Migration Advisory Committee, the Home Office has identified occupations in which employers find it more difficult to recruit workers with the required skills to fill vacancies and where migration can help to fill shortages. It places these on the Immigration Salary List (previously the Shortage Occupation List) and offers lower salary requirements and lower visa application fees for these sectors.

1.5 To be eligible to apply for a Skilled Worker visa, applicants must meet the following criteria:

- have a job offer from a company that is a licensed sponsor;
- have a job offer at the required skill level and minimum salary threshold;⁴
- speak English to the required standard;⁵ and
- meet checks relating to the applicant's immigration history and criminality.

1.6 Successful applicants can stay for up to five years and can apply to change their visa if they change jobs or employer. After five years, visa holders must leave the UK, apply to extend their visa, settle permanently in the UK or switch to another type of visa.

1.7 **Figure 1** on pages 16 and 17 sets out the steps that sponsor organisations and applicants must take to obtain a Skilled Worker visa. The Home Office's UK Visas and Immigration Directorate (UKVI) is responsible for managing the Skilled Worker visa system, including making decisions on applications, ensuring applicants and employers remain compliant with the requirements of the route, and providing customer service. Responsibility for immigration policy and addressing non-compliance is spread across the department.

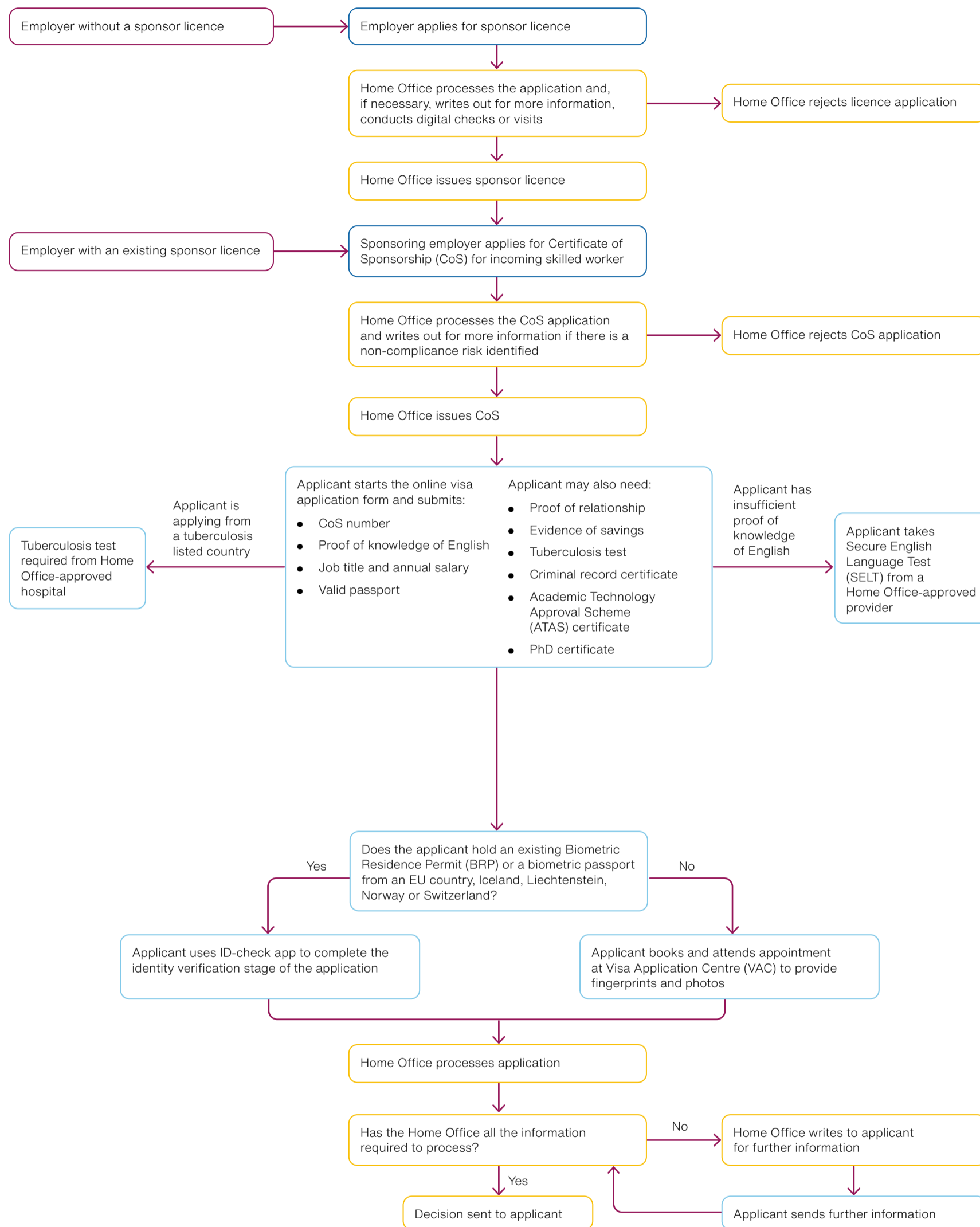
⁴ In 2021 the government set salary thresholds at a general threshold of £25,600 or the 25th percentile of the relevant occupational pay distribution, whichever is higher.

⁵ Level B1 on the Common European Framework of Reference for Languages scale. See: <https://www.gov.uk/skilled-worker-visa/knowledge-of-english> (accessed 24 February 2025).

Figure 1

The application process for a Skilled Worker visa, as at February 2025

The steps that employers and applicants must take to obtain a Skilled Worker visa



- Process begins
- Applicant action
- Sponsor action
- Home Office action

Note
 1 Applicants must provide proof of relationship if they have family members applying as dependants. Applicants may also need to provide evidence that they have enough savings to support themselves in the UK. Applicants working in certain jobs will need to provide a criminal record certificate or an ATAS (Academic Technology Approval Scheme) security clearance certificate if the job they are applying for involves research of a sensitive subject.

Source: National Audit Office analysis of Home Office guidance

Skilled Worker visa applications

1.8 Since 2021, the Home Office has received 1.78 million applications across all work visas. The Skilled Worker visa accounted for 66% of these (1.18 million applications). The number of people applying for a Skilled Worker visa each year has increased significantly, from 127,300 in 2021 to 256,300 in 2024, with a peak of 509,100 applications in 2023 (**Figure 2**).

1.9 The increase in the number of applications has been driven by the expansion of the route to include care workers in 2022 (**Figure 3** on page 20). 648,100 people, including dependants, have applied for Health and Care Worker visas since the route was expanded, making up 65% of applications received for Skilled Worker visas over this period. Since 2021, annual applications to the Health and Care sector have increased by 382% to a peak of 158,300 in 2023. Applications have reduced since the third quarter of 2023, with 31,600 applications to the Health and Care sector in 2024, an 80% reduction compared to 2023. There have also been significant reductions in the number of Health and Care Worker dependants' applications over this period, with a 59% reduction compared with the same period the previous year (**Figure 2**).

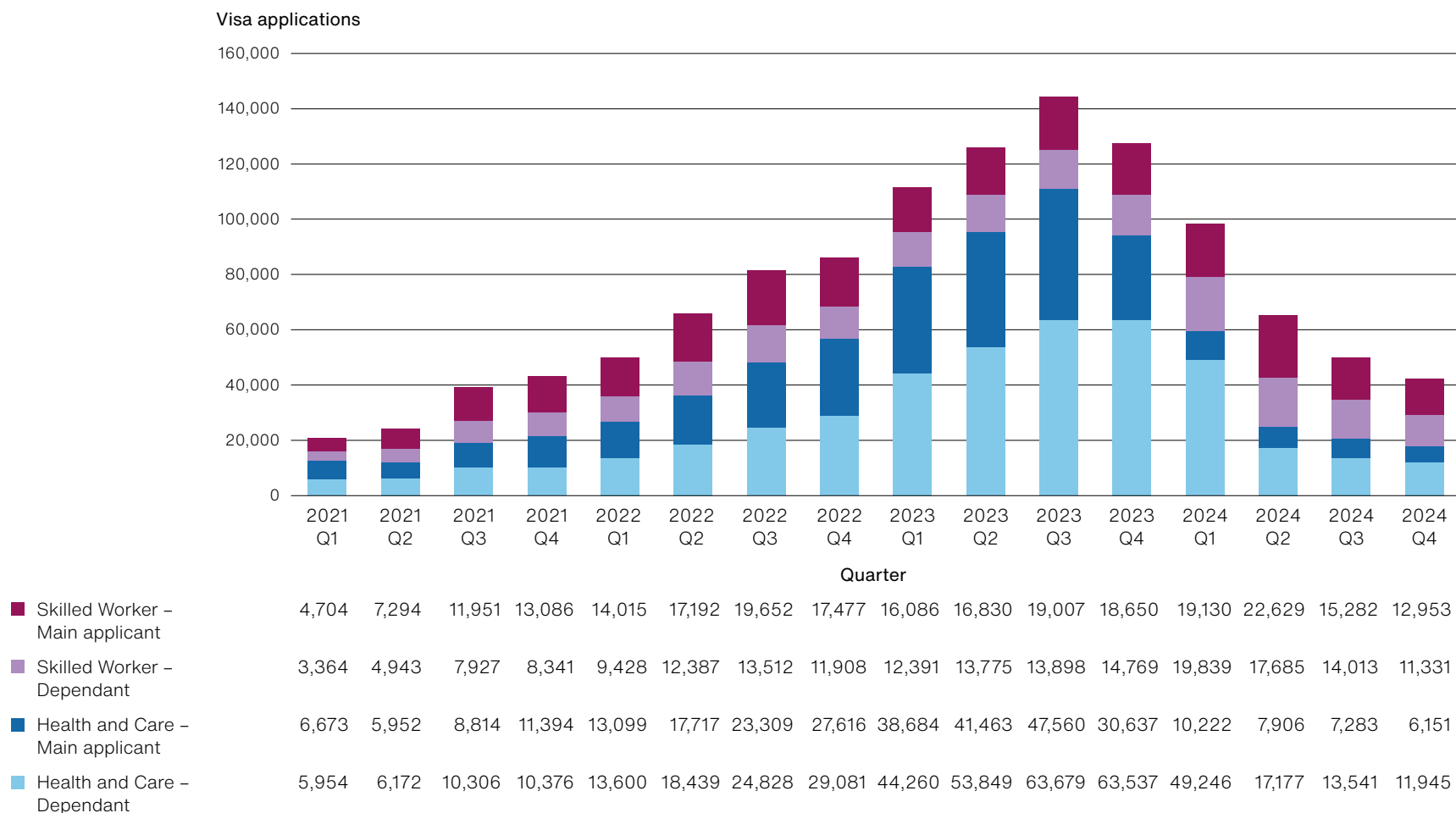
1.10 Other trends include the following.

- The number of annual applications from dependants increased to a peak of 280,200 in 2023, an increase of 388% on 2021. In total, the Home Office has issued 625,500 visas to dependants since 2021, including 389,600 visas to dependants on Health and Care Worker visas since April 2022.
- The number of people applying for extensions to their visa has increased from 49,900 in 2020 to 423,200 in 2024.
- Applications from new sponsors increased to a peak of 13,700 in the first quarter of 2024 (**Figure 4** on page 21). As a result, the number of organisations registered as sponsors has risen from 38,800 in 2021 to 110,500 in 2024, an increase of 185%, driven by increases in new sponsors from the health and social care sector.

Figure 2

Applications for Skilled Worker visas, 2021 to 2024

Skilled Worker visa applications increased each quarter to a peak of 144,100 in the third quarter of 2023, but have since fallen by 71% to 42,400 in the last quarter of 2024



Notes

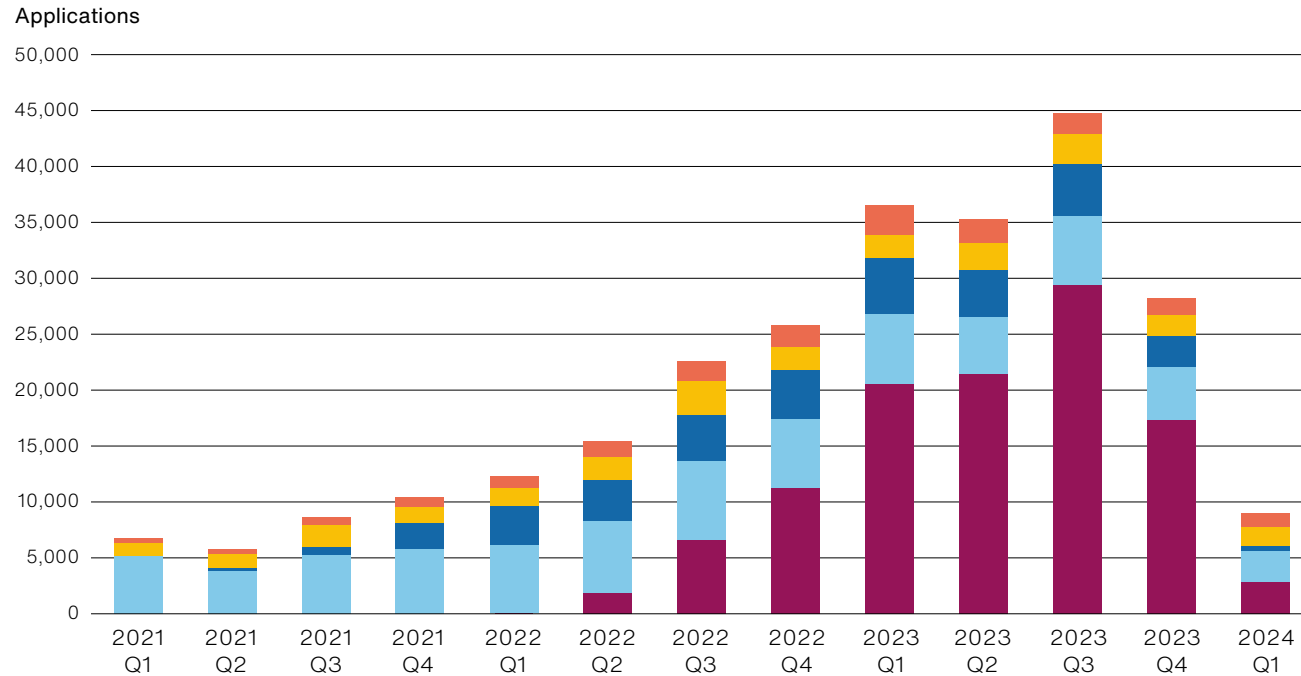
- 1 Applications are considered for all entry clearance visas for the Health and Care Worker route and the general Skilled Worker route.
- 2 Dependant applications are from family who are eligible to join the main applicant on the Skilled Worker visa.

Source: National Audit Office analysis of Home Office data

Figure 3

Health and Care Worker visas by occupation, Q1 2021 to Q1 2024

Between April 2022 and March 2024, the Home Office issued 111,400 visas to ‘Care workers and home carers’, 51% of all Health and Care Worker visa applications over this period



	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1
Care workers and home carers					113	1,869	6,637	11,245	20,582	21,426	29,452	17,354	2,814
Nurses	5,158	3,877	5,291	5,855	5,997	6,412	7,096	6,217	6,201	5,154	6,167	4,730	2,825
Senior care workers	22	226	734	2,237	3,565	3,758	4,063	4,356	5,050	4,175	4,605	2,740	478
Medical practitioners	1,183	1,212	1,918	1,516	1,544	1,962	3,031	2,041	2,052	2,366	2,633	1,859	1,648
Other health and social care occupations	378	450	661	819	1,080	1,425	1,732	1,891	2,679	2,133	1,875	1,513	1,228

Notes

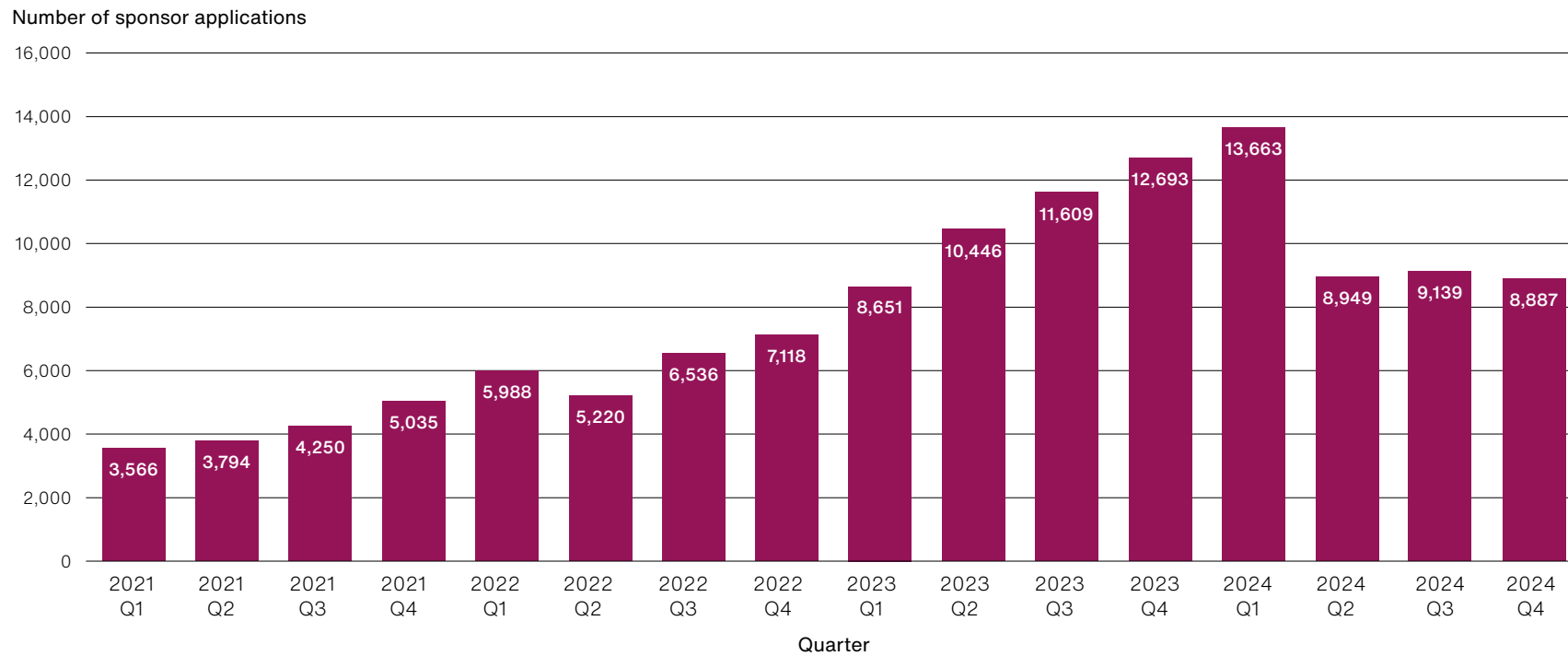
- 1 Data was derived from using data matching on entry clearance visas and Certificates of Sponsorship.
- 2 Care workers were added to the Shortage Occupation List on 15 February 2022.
- 3 ‘Other health and social care occupations’ are any other Certificates of Sponsorship granted under the Health and Care Worker visa route.
- 4 Data cover the period up to March 2024, where the Home Office changed the Standard Occupational Classification (SOC) codes from SOC 2010 to SOC 2020.

Source: National Audit Office analysis of Home Office sponsorship data

Figure 4

New sponsor licence applications made on the Skilled Worker visa route, 2021 to 2024

The number of new sponsor applications increased to a peak of 13,700 applications in Q1 2024, before falling to around 9,000 applications per quarter over the rest of 2024



Source: National Audit Office analysis of Home Office data

Fees for and costs of Skilled Worker visas

1.11 Applicants must pay a fee to have their application considered. The Home Office updates the fees and charges each year, and, since 2021, the cost of application fees to apply for a Skilled Worker visa has increased by around 19%. As at February 2025, applicants are required to pay between £284 and £1,636, depending on how long they are applying to remain in the UK for and whether their job is included on the Immigration Salary List.⁶ The Home Office uses these fees to help fund its immigration and border operations, including enforcement activity.⁷ The government also levies additional charges, including the following.

- The Immigration Health Surcharge on visas and extensions to cover the estimated cost of NHS services used by migrants. In February 2024, this increased by 66% to the current charge of £1,035. This raised £1.8 billion in 2023-24 and is allocated to the relevant departments in England, Scotland, Wales and Northern Ireland.
- An Immigration Skills Charge on sponsoring employers to fund the Department for Education's (DfE) investment in skills training and encourage employers to reduce reliance on overseas workers. This can be up to £1,000 for the first year and up to £500 for every additional six months, depending on the size of the business. The charge raised £0.7 billion in 2023-24. However, DfE does not directly receive this income, so it is unclear how the money is allocated by HM Treasury, or spent.

The minimum cost to an applicant for a Skilled Worker visa for three years – including the Immigration Health Surcharge – was £3,656 in February 2025.

1.12 Home Office immigration rules require people applying for a Skilled Worker visa to demonstrate proficiency in the English language at a specified level. This can be demonstrated through an academic qualification or by an assessment. The Home Office has a contract with Ecctis – a third-party provider – to carry out assessments and issue statements that can be submitted as part of the application. Under the contract, Ecctis keeps all of the money from these services. The Home Office identified in Spring 2024 that fees for these services should have been regulated by the Home Office but were not.⁸ It is now taking action to address this by introducing legislation and is retendering the contract. Under the new contract, which is expected to come into effect in May 2025, the Home Office will receive all income for these services and pay the provider a monthly fee.

6 The government updates visa fees each year. The latest rates are available here: <https://www.gov.uk/government/publications/visa-regulations-revised-table/home-office-immigration-and-nationality-fees-24-october-2024>

7 The Home Secretary sets fees based on the consideration of a range of factors set out in the Immigration Act 2014.

8 The National Audit Office is considering how this should be presented in the Home Office Annual Report and Accounts 2024-25.

1.13 In 2023-24, the Home Office raised a total of £2.6 billion from visa fees, an increase of 73% since 2021-22. Of this, fees from overseas applications for a Skilled Worker visa contributed £240.9 million, a 219% increase since 2021-22.⁹ The Home Office was not able to provide an accurate figure for the amount raised from extensions to Skilled Worker visas, but estimated this to be around £197 million in 2023-24, up from £103 million in 2021-22. It is not able to identify the cost of managing the Skilled Worker visa route but, based on published data on the unit cost of processing visas,¹⁰ we estimate it cost around £109 million to process applications in 2023-24.

9 The Immigration Act 2014 sets out that fees charged for visas can be used to support all functions in connection with immigration or nationality – this means that income from Skilled Worker visas is not just to recover the costs of administering the route but can be used to fund other areas of the immigration system.

10 The approach that the Home Office uses to calculate the published unit costs for all UK visa, immigration and citizenship services takes into account the estimate of the full financial cost for providing the relevant service, including direct costs, relevant local and central overheads, (for example, accommodation, Human Resources, Finance and IT), depreciation, cost of capital employed and other factors that connected to immigration and nationality, such as operational policy.

Part Two

Adjusting the Skilled Worker visa route

2.1 The Skilled Worker visa was designed to offer flexibility to respond to changes in government policy and skill shortages across the UK labour market. Since 2021, the Home Office has made a series of changes to entry requirements to respond to changing demands (**Figure 5** on pages 26 and 27). The main changes were as follows.

- In 2022, it eased entry requirements to help the social care sector address shortages in care workers and respond to demands created by the COVID-19 pandemic.
- In 2024, it tightened entry requirements in response to the government's intention to reduce net migration. The changes included increasing the minimum salary threshold by 48% (to £38,700) and preventing care workers from bringing dependants.

2.2 The government can make it easier for employers in some sectors to recruit overseas workers by lowering minimum salary thresholds and visa fees. The Immigration Salary List (formerly the Shortage Occupation List) lists the occupations deemed to have skill shortages where migration may help employers to fill vacancies. In 2021, the Home Office included 45 occupations across a range of sectors, including science, IT, engineering and social care. Since 2021, the Home Office has added and removed occupations to respond to needs in different sectors. In 2024, it reduced the number of occupations on the list to 23, representing 8% of the roles eligible for a Skilled Worker visa.

2.3 The Home Office also receives requests for changes to entry requirements from other government departments, usually to address specific skills shortages or support government objectives. The Home Office told us it receives a large volume of requests and, on most occasions, makes no change to immigration rules. It has, though, agreed to make some changes, including adding fishing jobs to the shortage occupation list and approving a Ministry of Defence request to waive the English language requirement to help recruit overseas workers to support its shipbuilding programmes. The Home Office has also made changes to entry requirements to strengthen its approach to tackling compliance risks. We cover its approach in more detail in Part Three.

Home Office approach to adjusting entry requirements

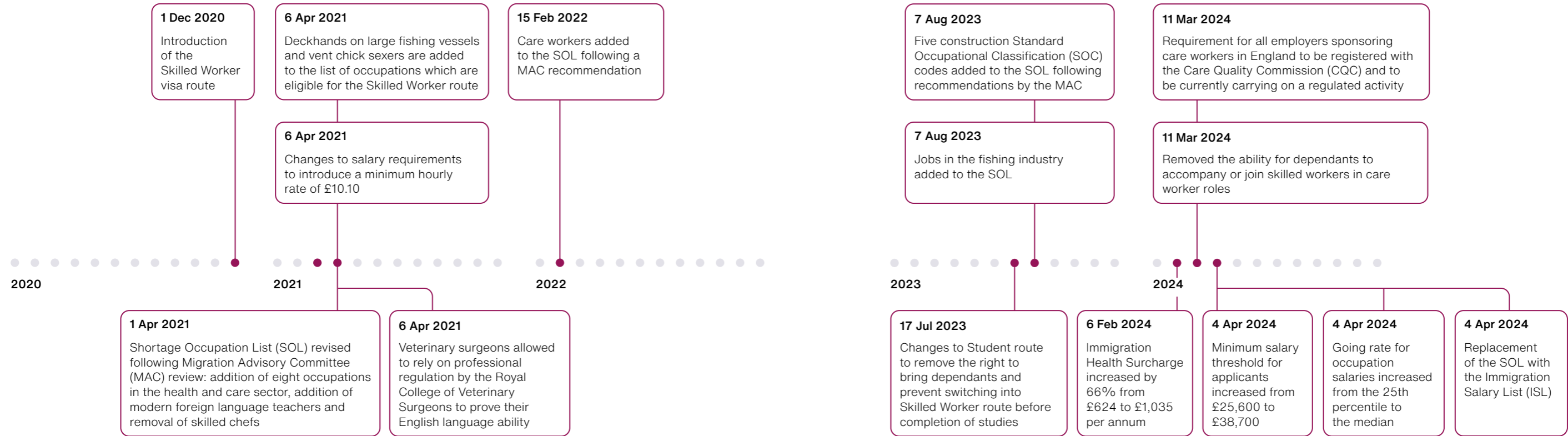
2.4 Ultimately, changes to immigration rules are subject to collective government agreement. The Home Office is responsible for immigration policy, including controlling immigration. In considering entry requirements on the Skilled Worker visa route, the Home Office must balance government immigration policy with the priorities of other departments and the route's objective to enable employers to recruit the skilled workers they need, and ensure labour market pressures in key sectors are managed effectively. In doing this, the Home Office engages with other departments and works closely with the Migration Advisory Committee (MAC), whose role is to develop an independent evidence base to inform the design of the immigration system. The MAC has reviewed labour market issues – including the role that immigration plays – across a range of sectors and, as a result, also makes recommendations to other departments.

2.5 Between 2021 and 2024, the Home Office commissioned the MAC to review skill shortages in the social care, construction and hospitality sectors. The Home Office also asked the MAC for recommendations on which occupations should be included on the Shortage Occupation List. The Home Office has drawn on this work when designing and amending entry requirements, including the initial design of the route, and adjusting which occupations should be eligible for lower salary thresholds.

2.6 On occasions, the Home Office's commissions gave the MAC insufficient time to conduct a full review, limiting its ability to engage with stakeholders to assess impacts fully. For example, it completed its review of the construction and hospitality sectors in under two months. MAC reviews have also been affected by changes in government policy. For example, in 2022, the Home Office paused the MAC's review of the impacts on occupations on the Shortage Occupation List due to government discussions on work migration. The MAC completed its review in October 2023 but the 2024 changes to entry requirements, announced in December 2023, superseded its recommendations and meant the analysis was out of date.

Figure 5
Timeline of Home Office policy changes made to the Skilled Worker visa route, December 2020 to April 2024

The Home Office has made changes to the eligibility requirements to respond to government policy and changing economic needs



Notes

- 1 The Immigration Health Surcharge is the annual charge visa holders must pay to access the NHS.
- 2 Care Quality Commission regulated activity include any activities listed in The Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.
- 3 The going rate is the minimum salary applicants must be paid by their sponsor, provided it exceeds the minimum salary threshold. It is based on Annual Survey of Hours and Earnings (ASHE) data.

Source: National Audit Office analysis of Home Office documentation

2.7 The need to implement government policy quickly has meant that the Home Office has not always had time to fully assess the potential impacts of changes. In 2022, the Home Office did not produce an impact assessment on the decision to relax entry requirements for care workers, due to the need to respond quickly to support the sector in response to the COVID-19 pandemic. In December 2023, the government announced a package of measures to tighten entry requirements to reduce net migration. Ministers decided on the changes soon after immigration statistics were released, and the changes were implemented in Spring 2024. At the time, the Home Office had been considering options to reduce the use of the route and was working with the Department of Health & Social Care (DHSC) to consider potential changes to the social care sector to tackle the exploitation of visa holders. The Home Office reviewed potential changes with HM Treasury, Cabinet Office and the DHSC. However, the changes to entry requirements, made by Ministers, went further than the options presented by officials at that time and were made with limited consultation and without full consideration of the potential impacts. The changes to the Skilled Worker route were agreed by the Domestic and Economic Affairs Committee, which is a cabinet committee that takes collective decisions that are binding across government.

2.8 Where the Home Office has published impact assessments – for example, in 2020, before the introduction of the route and in 2024, to assess changes to entry requirements – there was scope to improve these. While they were based on a sound methodology and reasonable assumptions, there was scope to consider more policy options and for impacts to be assessed across a broader range of sectors or regions. In addition, the assessments did not set out success criteria, evaluation plans or cover compliance risks. The impact assessment on the 2024 changes was published three months after the changes had been announced.¹¹

2.9 The Home Office has engaged regularly with departments on changes to entry requirements, including collaborating with DHSC on the social care sector. There are inevitably tensions where Home Office objectives to reduce net migration come into conflict with differing objectives and priorities of other departments. Despite this, other departments' feedback on the extent of consultation was mixed, with concerns that impacts of rule changes on the departments' plans were not sufficiently considered. In particular, departments told us there was often insufficient time for a full consultation, meaning the Home Office did not fully understand the likely consequences of changes.

¹¹ Home Office, *Impact Assessment for changes to the Immigration Rules for Skilled Workers*. Available at: https://assets.publishing.service.gov.uk/media/5fb3ec21e90e072094832d56/Revised_Impact_Assessment_for_the_Skilled_Worker_Route_signed.pdf (accessed 24 February 2025); Home Office, *2024 spring Immigration Rules: impact assessment*. Available at: <https://www.gov.uk/government/publications/changes-to-immigration-rules-impact-assessments/2024-spring-immigration-rules-impact-assessment-accessible> (accessed 24 February 2025).

2.10 In July 2024, the government announced plans to develop closer links between immigration policy and sectoral labour market policies. It intends to:

- develop a new framework to support a coherent approach to skills, migration and labour market policy;
- tackle labour market challenges in all parts of the UK by creating stronger links between government departments and the devolved governments;
- launch Skills England – a new arms-length body – to form a coherent picture of skills gaps across the UK and, working with partners, advise on a long-term plan to develop the workforce needed across the economy; and
- broaden the remit of the MAC so it can highlight key sectors where labour market failures mean there is over-reliance on international recruitment.

The government also intends to produce a white paper in 2025 outlining plans to reduce net migration and review visa requirements for highly skilled workers. It will consider how to flex the Skilled Worker visa system to continue to attract highly skilled workers to the UK to support economic growth.

Assessing the Skilled Worker visa route

2.11 In 2022, the Home Office assessed whether the route was operating as intended, comparing actual inflows against the forecasts in the 2020 impact assessment (paragraph 2.8). It acknowledged that the timing of the evaluation and impact of the COVID-19 pandemic over this period meant that evaluation only provided a partial view of impacts, and that further evaluation was needed. It concluded the route was meeting its objectives, with increased applications helping employers to recruit skilled workers to address labour market pressures (paragraph 1.2). However, the evaluation was too early to assess the impacts of expanding the route to include care workers and did not assess the impacts on skill shortages across different sectors or regions of the UK.

2.12 Further, the Home Office has not undertaken any post-implementation reviews of the changes to entry requirements. It told us that the route is continuously evolving, there had been no suitable time for review, and it would be difficult to disentangle the impacts of individual changes. Instead, the Home Office keeps the route under review through its ongoing engagement with stakeholders and departments. In July 2024, during the course of our audit, the Home Office commissioned an evaluation of the route to improve its understanding of the working patterns of migrants and their dependants, and to better understand why sponsors use the route. It expects to complete the evaluation in 2025.

2.13 When introducing the route in 2020, the Home Office forecast that it would issue 360,000 visas in the first three years to people entering the country. Instead, it granted 931,000 people a Skilled Worker visa in the first three years, 158% more than expected. The greater-than-expected use of the route has also affected:

- the number of people claiming permanent residency in the UK after applying for a visa as a Skilled Worker - in 2024 this increased by 80% to 44,000, compared with 2021;¹²
- the number of dependants of Skilled Worker visa holders entering the UK - this increased by 360% from 55,200 in 2021 to 254,100 in 2023; and
- the number of people on a Skilled Worker visa who subsequently claimed asylum in the UK - this increased from 53 in 2022 to 5,300 in the first 10 months of 2024.

2.14 The Home Office does not fully understand what happens to people who have entered the UK on Skilled Worker visas. In 2022, it identified that 23% of workers who had entered the UK in 2018 still had a valid visa and 15% had taken indefinite leave to remain. The remaining 62% of visas had expired but the Home Office did not know how many of these people had returned to their home countries. In 2020, the Home Office analysed exit checks to estimate the proportion of people who left the country at the end of their visa. However, it has not repeated such analysis since introducing the Skilled Worker visa.

2.15 The Skilled Worker visa route continues to work well across many sectors, in particular those with higher salaries, such as legal and finance professions, allowing companies to recruit from overseas to fill skills gaps. In December 2024, the MAC conducted analysis suggesting that, on average, migrants on Skilled Worker visas have a positive net fiscal impact on government finances, which is higher than that of the average UK-born adult. However, departments and stakeholders questioned whether tightening entry requirements means the route is no longer suitable for some sectors; for example, where the increase in salary thresholds may make the route financially unattractive to businesses. Departments highlighted difficulties using the route for international recruitment in a range of sectors, including public sector vets, butchers working in abattoirs, fishing, construction, architecture, and specialist craftsmen working in the retail and consumer sector. Stakeholders also highlighted the consequences of recruitment difficulties, such as threats to food supply and the impact of higher salaries on local government budgets.

¹² Some of these applications for permanent residency will be from individuals who came to the UK under the previous Tier 2 visa system, or who switched to a Skilled Worker visa from another visa route.

2.16 The changes to the Skilled Worker visa route are impacting the ability of employers in the social care sector to use it. From 2023, the Home Office's increased focus on tackling compliance issues in the sector reduced approval rates for sponsors (paragraphs 3.19 to 3.21). Further, the Spring 2024 changes to tighten entry requirements led to further reductions in application numbers, and the number of health and care workers entering the UK. In 2022 and 2023, 220,700 people entered the UK on a Health and Care Worker visa, helping to reduce vacancies in the adult social care sector from 9.9% in 2022-23 to 8.3% in 2023-24.¹³ Skills for Care estimated there were around 131,000 vacant posts on any given day in 2023-24. However, the number of Health and Care Worker visa applications reduced significantly in 2024, with applications 81% lower in April to June 2024 compared with the same period in 2023. The sector has produced a workforce strategy but DHSC has not developed its own strategy for the care sector, despite the Public Accounts Committee previously highlighting the need for a sustained reduction in vacancies in the sector.¹⁴ The changes to entry requirements mean it will be more difficult for the sector to fill vacancies by recruiting from overseas. Skills for Care projections show that the demand for adult social care posts will increase by 430,000 workers by 2035 if the workforce continues to grow proportionally to the number of people aged 65 and over. However, following the Spring 2024 rule changes, the Home Office estimated that the number of Health and Care Worker visas could reduce by 385,000 over the next 10 years.

2.17 The government's original intention was for the recruitment of overseas workers to complement initiatives to grow the domestic labour market (paragraph 1.2). However, there has been limited collaboration between departments on immigration and skills policies, although the Home Office told us this has been hampered by the maturity of labour market strategies. The government's proposed approach, linking the MAC with Skills England and the Industrial Strategy Council, is likely to take a sector-based approach to gathering evidence, but it is early days in terms of policy thinking, and progress will require joint decisions across all interested departments.

2.18 The Home Office could also do more to systematically use available data to understand the impacts of changes to the Skilled Worker visa route. For example, by examining trends in vacancy rates by sector or within regions it could better understand the extent to which the Skilled Worker visa route is addressing skill shortages in particular sectors. For example, there are marked regional variations, with the route used less in regions such as the North East. The Home Office did consider the impact of prospective changes on some sectors ahead of the 2024 changes to the system, but this focused on the measures' potential to reduce inflows, and thus net migration, and did not consider trends in these sectors, such as vacancy levels or skills shortages. Likewise, by considering regional salary variations the Home Office would better understand the impact of changes to salary thresholds on regional labour markets.

¹³ The adult social care market is large and made up of around 18,500 independent providers. The vacancy numbers included here are the total number of posts advertised by these organisations.

¹⁴ A Workforce Strategy for Adult Social Care in England was developed by Skills for Care in collaboration with the adult social care sector.

Part Three

Managing the Skilled Worker visa system

3.1 The Home Office measures its approach and reports on the following.

- Time taken to process applications: Focusing on the percentage of sponsor and individual applications processed within service standards.
- Customer satisfaction: It surveys customers and has a target on satisfaction with application experience.
- Number of applications granted, refused or withdrawn: It monitors the trajectory but has no targets.
- Actions taken to identify non-compliance: Such as the number of visits to check illegal working.

We assessed the Home Office's performance against these metrics.

Timeliness of processing visa applications

3.2 The Home Office seeks to process 'straightforward' applications from overseas applicants within three weeks and renew in-country extensions within eight weeks, with the exception of Health and Care Worker visa applications which all have a three week target.¹⁵ Since January 2023, it has processed 94% of 'straightforward' applications (970,200 cases) within these standards, although it has not quite met its target of 98.5% (**Figure 6**).¹⁶ Its performance dipped in 2022, when it diverted resources to manage the new visa route for Ukraine, but has recovered since.¹⁷ Cases which are 'non-straightforward' are categorised as 'complex' and removed from service standards.

¹⁵ 'Straightforward' applications are cases where the Home Office determines the applicant has met all obligations and provided the necessary information.

¹⁶ The processing time starts when the applicant submits their biometric or ID information and ends when the Home Office makes a decision on the application.

¹⁷ The Home Office established the Ukraine Family Scheme and Ukraine Sponsorship Scheme in March 2022 in reaction to the Russian invasion of Ukraine.

Figure 6

Proportion of 'straightforward' Skilled Worker visa applications processed within service standards, Q4 2021 to Q3 2024

The Home Office has processed at least 87% of 'straightforward' applications within service standards in all but two quarters



Notes

- 1 'Straightforward' applications are cases where the applicant has met all obligations and provided the necessary information.
- 2 The Home Office aims to process in-country applications within eight weeks and out-of-country and Health and Care applications within three weeks. It aims to process 98.5% of 'straightforward' applications within these service standards.
- 3 In Q2 2022, Home Office visa processing was impacted by demands from the introduction of the Homes for Ukraine scheme which was introduced on 14 March after the Russian invasion of Ukraine.

Source: National Audit Office analysis of Home Office data

3.3 The Home Office balances processing applications quickly with the need to test the supporting information. It deems an application to be ‘complex’ if the applicant has not provided all the necessary information or further checks are required to verify its genuineness. Applications may also be deferred if there is a police enquiry, security checks or the applicant is subject to prosecution. It removes ‘complex’ applications from its performance monitoring and does not have a target for processing these cases. Since October 2021, the Home Office has deemed 330,300 applications (18%) to be ‘complex’. In 2023, ‘complex’ cases for digital extensions took an average of 48 days to process, with ‘exceptionally complex’ cases averaging 71 days.¹⁸ Applications which required people to provide a physical copy of their immigration status took longer, with an average processing time of 65 days. Our analysis of the Home Office’s management information on Skilled Worker visa extensions shows that, since 2021, it took over 100 days to make a decision on 6,500 ‘complex’ applications.¹⁹ This may be because the cases are subject to prosecution or criminality investigation. The Home Office could not provide data on the full processing time, with the locally produced data measuring the time taken from the point the case was deemed ‘complex’ to the decision being made.

3.4 The proportion of ‘complex’ cases increased as applications increase, with the Home Office defining 31% of applications as ‘complex’ between July and September 2023 (**Figure 7**). Home Office guidance states that caseworkers should categorise an application as ‘complex’ when it will not be resolved within the service standard. This may be due to the need for further checks, safeguarding concerns, applicant error or the need for policy advice.

3.5 The Home Office seeks to process sponsor licence applications from employers in eight weeks, but has not set a target for the proportion of cases processed within this period. The Home Office achieved an average processing time of 34 days in 2024, improving its performance from 54 days in 2022 and 44 days in 2023. Despite this, stakeholders told us that employers have experienced delays when applying for licences and Certificates of Sponsorship. The Home Office may take longer to make a decision when further checks – and potentially investigation – are needed for applications where a higher level of risk is identified. Our analysis showed that the proportion of cases taking longer than the average processing time increased from 34% in 2022 to 49% in 2024, but the Home Office could not provide reliable data on the distribution of processing times.

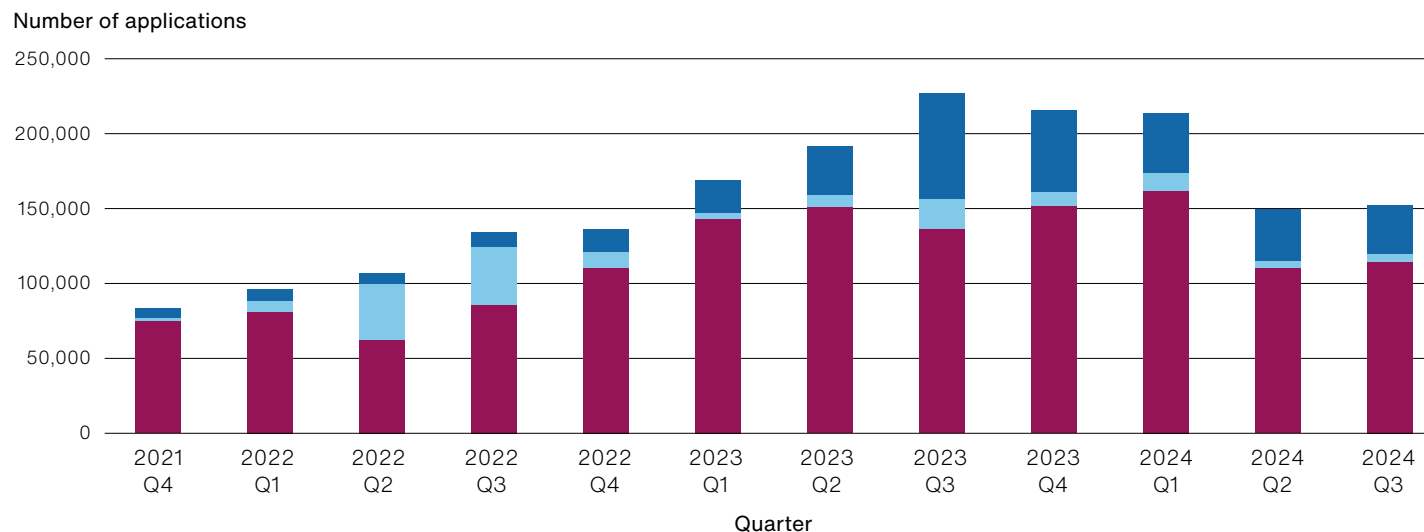
¹⁸ ‘Exceptionally complex’ cases are those cases which require further enrichment, involving more than a write out or call to the customer.

¹⁹ This is locally produced data which cannot be reconciled with published statistics and is presented to illustrate the range of processing times.

Figure 7

Number of 'straightforward' and 'non-straightforward' applications, Q4 2021 to Q3 2024

In the third quarter of 2023, the Home Office received the highest number of applications and categorised 71,000 applications (31%) as 'non-straightforward'



■ 'Straightforward' applications completed within service standards	75,238	80,773	62,486	85,609	110,338	142,840	151,283	136,661	152,223	161,525	110,699	114,974
■ 'Straightforward' applications not completed in service standards	2,210	7,939	37,345	39,129	10,929	4,357	8,045	19,466	8,902	12,654	4,592	5,381
■ 'Non-straightforward' applications	6,393	7,381	6,936	9,585	14,828	22,045	32,038	70,656	54,356	39,635	34,453	31,951

Notes

- 'Straightforward' applications are where the applicant has met all obligations and provided the necessary information. 'Non-straightforward' cases are considered 'complex' cases and are not included in the Home Office's measurement of performance against its service standard.
- The Home Office aims to process in-country applications within eight weeks and all out-of-country and Health and Social Care visa applications within three weeks.
- Data consider all in-country and out-of-country applications Home Office processed each quarter.

Source: National Audit Office analysis of Home Office data

3.6 Our assessment of Home Office’s approach to visa processing showed elements of good practice. For example, it monitors demand daily and re-allocates its workforce across all visa routes to address demand peaks or backlogs. However, we also identified that the Home Office does not sufficiently understand the root causes of common issues with applications. We saw how poor-quality input from applicants creates additional work for caseworkers. There was also inconsistency in how work is done, which results in additional checks and rework. While further checks are needed to test compliance risks and quality-assure decision making, there is also scope for the Home Office to assess whether some parts of the process involve unnecessary duplication of effort. While information on common issues is disseminated to caseworkers, there was scope for the Home Office to strengthen feedback loops to make better use of management information and learn across business areas or from other organisations doing similar work.

Customer experience

3.7 The Home Office engages widely with stakeholders on the service it provides. It assesses customer satisfaction by surveying people who have received a decision on their visa application. Since 2023, on average, 86% have been satisfied with the application service, above the Home Office’s target of 80%.²⁰ However, customer experience of other aspects of the process, including guidance and contact, received lower scores – with around 25% of applicants stating that the GOV.UK guidance did not give them all the information they needed. The Home Office has also conducted an annual survey of stakeholders.²¹ In 2023, stakeholders were generally satisfied with engagement and communications, although they highlighted that more direct engagement with the Home Office would be beneficial, with better targeted communications. The Home Office has also received mixed feedback from sponsors on the Premium Customer Service it provides, with complaints about the high cost and lack of service leading it to review the need for changes to the service.

3.8 Applicants can get support from the Home Office by email or telephone, and sponsors can get support through the business helpdesk. The Home Office has not routinely collected data on the reasons for customer contact, although data from 2022 indicated that approximately 1,000 sponsors were contacting the helpdesk each month for clarification on guidance. We sought feedback from stakeholders on the challenges that sponsors and applicants face during the application process (**Figure 8**).²² Stakeholders raised concerns that guidance is complicated and there is limited customer support, with some needing legal advice, adding to the cost of the process. It can also mean that applicants and sponsors misunderstand what information is required, leading to delays if the Home Office needs to request further information. Stakeholders also identified inconsistent decision making and advice.

20 Applicants are asked to rate the following on a scale of 1 to 10: “Thinking about your experience of the application process, and not the outcome of your application, how would you rate the UK Visas and Immigration application service overall?” The Home Office deems scores of 7 to 10 to indicate satisfaction with the service.

21 The survey was sent to 1,665 stakeholders inside and outside of government and received an 11% response rate.

22 We gathered insights from a variety of stakeholders with experience of the route, including professional associations and charities.

Figure 8

Insights from stakeholders about the support provided by the Home Office to sponsors

Our engagement with stakeholders identified common challenges that sponsors face

Stage	What the Home Office does	Issues raised by stakeholders
Finding out about eligibility requirements	<p>Criteria and guidance are on GOV.UK</p> <p>Stakeholder engagement to support sponsors. For example, the Department of Health & Social Care holds webinars to support the social care sector.</p>	<p>Guidance is complicated and buried in technical documents, increasing the risk of accidental non-compliance.</p> <p>Guidance can sometimes be conflicting.</p> <p>The complexity of the system is a barrier, especially for smaller sponsors. Some sponsors need to seek professional advice.</p>
The application process	<p>Online application process for sponsorship licence.</p> <p>Costs of applying are on GOV.UK.</p>	<p>High costs deter sponsors from using the route. This particularly impacts small businesses.</p> <p>There is limited communication about the progress of sponsor licence applications and sponsors do not receive communication on delays.</p>
The Sponsor Management System	<p>Once they have a licence, sponsors can apply for Certificates of Sponsorship.</p> <p>Rule change updates are communicated to sponsors via the sponsor dashboard.</p>	<p>There are unexplained delays in receiving Certificates of Sponsorship.</p> <p>The Sponsor Management System is difficult to navigate, especially for small organisations who use it less frequently.</p> <p>The Home Office has made inconsistent decisions with the issuing of Certificates of Sponsorship.</p> <p>The Home Office rely on sponsors to check the dashboard to keep up to date with rule changes.</p>
Home Office customer service	<p>Business helpdesk telephone line and email available for employers.</p> <p>Premium subscription available for sponsors to have a point of contact at the Home Office.</p> <p>Dedicated point of contact email for the health and care sector.</p>	<p>The Home Office provide inconsistent advice, depending on who the sponsor talks to.</p> <p>There are long wait times on calls to support.</p> <p>There is a lack of a strong basic service below the premium subscription.</p> <p>Sponsors receive delayed responses to the dedicated emails.</p>

Source: National Audit Office analysis of stakeholder feedback

Resolving customer disputes

3.9 The Home Office aims to respond to complaints within 20 working days. In the 12 months to August 2024, it received 18,070 complaints and processed 76% within its target. 58% of complaints related to customers being unable to track their applications and 24% to refunds. The Home Office monitors the reasons for complaints and provides updates to caseworkers on issues raised. The Home Office accepted responsibility on 31% of complaints but does not track how it responds.

3.10 Applicants can challenge decisions through an ‘administrative review’ – if they think there has been a casework error in the decision – or by taking legal action against the lawfulness, rationality or procedural fairness of decisions.²³ The Home Office does not collect information on the outcomes of administrative reviews, or trend data on legal actions. However, it does hold regular forums to feedback common errors and trends to operational staff. Administrative reviews and legal action have increased over the last year, with data captured manually suggesting administrative reviews increased by 142% between 2023 and 2024.²⁴ In April 2024, the Home Office identified there was no strategic approach to mitigate risks of recurring legal action and launched a Litigation Strategy Board to address these issues by building a network to improve initial decision making and make better use of data to drive feedback mechanisms.

Plans to improve the visa system

3.11 The Home Office is seeking to transform the visa system and simplify the application process for sponsors and applicants. It is implementing change programmes: to introduce a new digital visa system for applicants and sponsors, and to deliver modern technology to support caseworkers.²⁵ It has renewed the contracts for visa application centres, to enable people to continue to submit biometric information when applying for a visa, and has made wider changes to the immigration system, such as the introduction of eVisas which aim to improve the customer journey for people entering the UK.²⁶

3.12 The Home Office has made progress in transforming elements of the Skilled Worker visa system. For example, it has developed its IT caseworking system to process Skilled Worker visa extension applications and introduced a fully digital application system for European Economic Area (EEA) nationals, allowing them to use an online app to scan their passports. However, the Home Office has encountered delays and has had to extend sponsorship transformation. It told us that this was because it re-allocated capacity to develop safe routes into the UK and prioritised implementation of other work routes, such as the High Potential Individual route.²⁷ Specifically, this meant it:

²³ Applicants can pay £80 for their decision to be reviewed by a specialist case working unit.

²⁴ Analysis of local data of in-country and out-of-country administrative reviews across February to July in 2023 and 2024.

²⁵ To achieve this transformation, the Home Office is implementing the Future Borders and Immigration Services programme and Immigration Platform Technologies programme.

²⁶ The visa application centre contracts were renewed under the Future Supplier Services programme.

²⁷ In response to the situations in early 2021 in Hong Kong, late 2021 in Afghanistan and 2022 in Ukraine, the Home Office established safe routes into the country for these cohorts.

- extended the replacement of the sponsorship system from Autumn 2023 to the end of 2028 – a poor understanding of the scale and complexity of the systems meant it underestimated the time and cost to replace the old system;
- delayed the decommissioning of the previous IT casework system, planned for July 2023, by over a year; and
- missed the milestones to automate applications and data checks in the sponsorship transformation strategy – the Home Office is reconsidering the delivery of this project, which was initially due in early 2024, and will re-assess its timeline in 2025.

3.13 The Skilled Worker visa casework system is also encountering problems. System outages have slowed processing and there has been a re-occurring problem with cases getting stuck in the system. Since the end of 2021, 85,500 cases have been affected and were removed from being processed within service standards. The Home Office has sought to fix technical issues, and the proportion of cases affected has decreased from 6.5% in 2022 to 3.1% in the 12 months to September 2024. However, it has not quantified the full impact of these issues, and system errors still led to £200,000 of ex-gratia payments or priority fee refunds between April and October 2024. Further, the system is not yet fully functional as it was rolled out as a minimum viable product and the Home Office reduced its scope to prioritise decommissioning the legacy system.

3.14 The Home Office has continued to deliver visa services while implementing the change programmes. It has also responded to external events, such as the COVID-19 pandemic and the Ukraine resettlement scheme, which diverted resources and increased the scope of the programmes.

Tackling non-compliance

3.15 The Home Office is responsible for promoting compliance within the visa system and addressing non-compliance when it occurs. The risks relating to Skilled Worker visas include individuals using the route to enter the UK for the wrong reasons; sponsors exploiting workers or bringing people to the UK when there is no genuine vacancy; and migrants not working in jobs for which they were sponsored. Changes to immigration policy, such as the introduction of new immigration routes, can change the nature of the non-compliance risks that the Home Office needs to manage.

Responding to non-compliance risks

3.16 The Home Office did not re-assess compliance risks when the Skilled Worker visa route was introduced, or after the expansion of the route to include care workers. The Migration Advisory Committee (MAC) highlighted non-compliance risks in the sector in 2022 and, by 2023, there was growing evidence of some sponsors abusing the system and exploiting workers. The MAC highlighted examples of applicants being charged above market rates for accommodation and the Independent Chief Inspector of Borders and Immigration reported an increase in safeguarding concerns. The Chief Inspector noted that compliance referrals had risen significantly, but interventions did not always take place promptly. These bodies recommended that the Home Office take action to address the risks.

3.17 The Home Office did not initially increase its focus on compliance in line with the increase in sponsors and applicants (paragraph 1.8). However, since 2023, it has taken steps to strengthen its response.

- **Strengthening risk management:** In 2023, the Home Office established a Risk Hub to centralise risk identification and safeguarding. This enabled a cross-cutting approach to identifying risks, introduced new technologies to monitor suspicious payments and produced new guidance for caseworkers. The Home Office has since identified increasing compliance risks in several sectors, including construction.
- **Improving compliance checks:** The Home Office has more rigorously applied its 'genuine vacancy' test to check whether the vacancies employers claim to have do exist, and has introduced a 'credibility' test for applicants. This was in response to the Home Office developing its understanding of how the route was being used in the care sector. Caseworkers had previously been unable to refuse applications when there were doubts, making it resource-intensive to refuse applications. However, stakeholders from the care sector reported that the Home Office's use of this test does not always reflect the way that recruitment works in the sector, as it requires them to prove they have a vacancy at the time of application, which does not always suit the way that care is commissioned or how care providers recruit staff in the sector. The Home Office has also introduced additional training for caseworkers and risk-based triaging for sponsor applications to improve compliance in sponsor licensing.
- **Developing new interventions:** In March 2023, the Home Office introduced digital compliance audits for organisations applying to become sponsors. This means it can investigate and refuse sponsor applications with missing evidence or compliance concerns more quickly, and without the need for a visit where this is not necessary.

3.18 The Home Office has increased the number of referrals and checks on sponsors where concerns had been identified (**Figure 9** overleaf). It referred 1,257 cases for compliance checks in the first 11 months of 2024, compared with 122 in 2022. The Home Office also carried out 4,589 digital compliance audits by December 2024. From July to December 2024 it refused around 85% of those audited – mostly because employers applying to become sponsors could not provide adequate evidence to support their application. Despite this increase, the Home Office still only intervenes in a small proportion of cases. In 2023, it referred less than 1% of sponsors for compliance checks and revoked the licences of 0.3%.²⁸ These proportions have risen in 2024, with the number of referrals for compliance checks rising above 1% of the total caseload. In addition, 1.25% of the total number of sponsors have had their licence revoked.

3.19 The Home Office's increased focus on compliance has also led to changing outcomes for applicants and sponsors. In 2021, the Home Office approved 99% of applications, compared with 79% in the last quarter of 2024 (**Figure 10** on page 43).²⁹ The proportion of sponsor licence applications refused increased from 7.3% of decisions in 2021-22 to 13.2% in the period between April and July 2024.³⁰ The Home Office also rejects applications if the employer is ineligible – for example, if they have previously had a licence revoked – or fails to supply the necessary evidence. Home Office data show that the number of employers whose licences were revoked has risen from 273 in 2022 to 337 in 2023 and to 1,494 in 2024. The number of suspended sponsor licences rose from 331 in 2022 to 569 in 2023 and to 1,693 in 2024 (**Figure 11** on page 44).

3.20 While the Home Office has introduced new types of compliance interventions, there are still times when a physical visit is necessary. In November 2024, the Home Office had 46 full-time equivalent (FTE) compliance officers, compared with 65.5 FTE in 2021. It told us that a recruitment freeze and difficulties in retaining staff had limited the capacity of the compliance team, although the introduction of digital audits had reduced overall demands on the team. The Home Office has reviewed staffing levels across different areas of work in its compliance command to attempt to streamline processes, but work in this area remains stretched. In October 2024, the team responsible for compliance visits was investigating 366 sponsor cases, with 210 awaiting a visit. The number of visits carried out decreased from 2,281 in 2022 to 1,380 in the first 11 months of 2024.

28 These percentages are based on the total number of registered sponsors and the total amount of compliance activity undertaken each year. In 2024, there were 3,563 dormant sponsors on the register, who would have not required compliance interventions.

29 Cases which are not approved are either refused or withdrawn. In the last quarter of 2024, 18% of applications were refused and 3% were withdrawn.

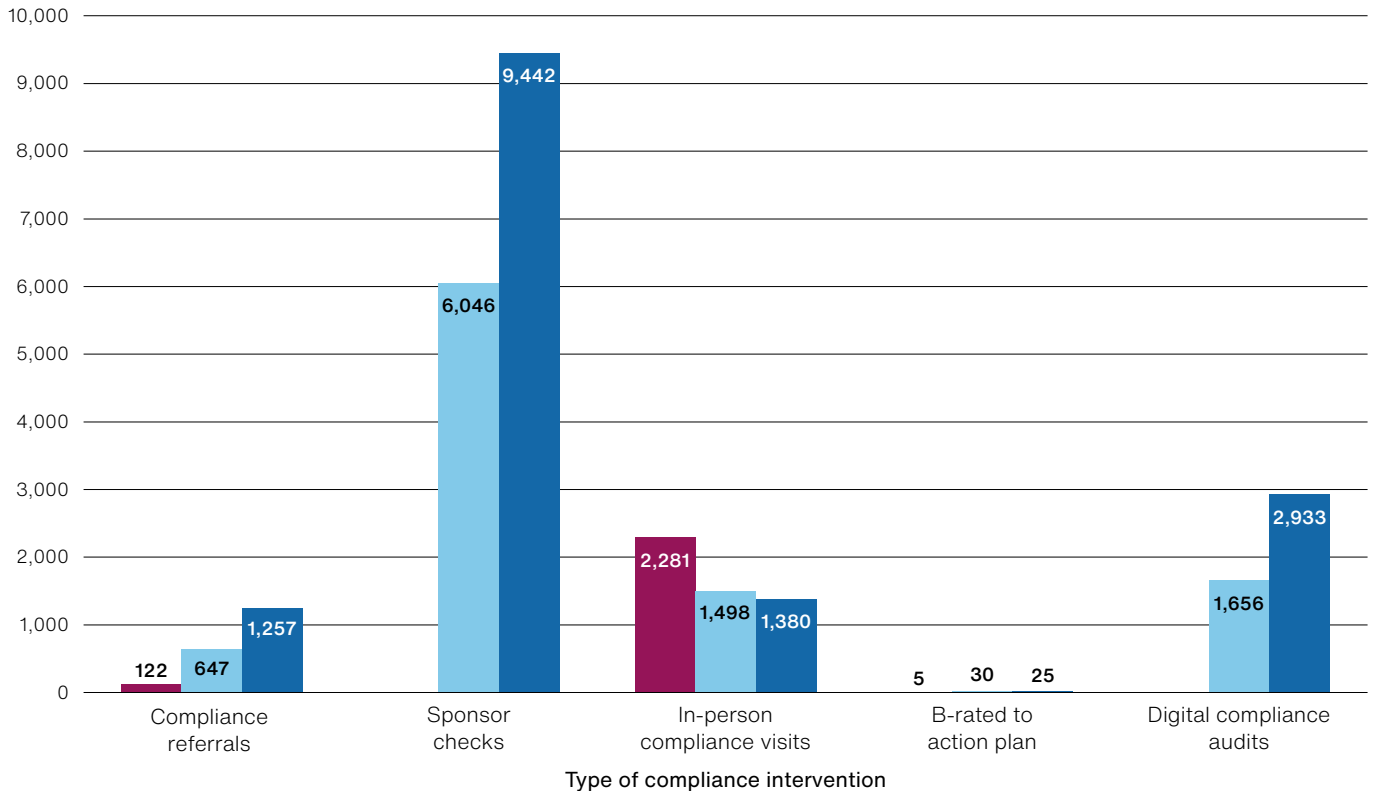
30 These rates cover cases where the Home Office made a decision on the sponsor application.

Figure 9

The number of compliance interventions carried out by the Home Office, 2022 to 2024

The overall number of compliance interventions has increased since 2022

Number of compliance interventions



- 2022
- 2023
- 2024 (to 6 December)

Notes

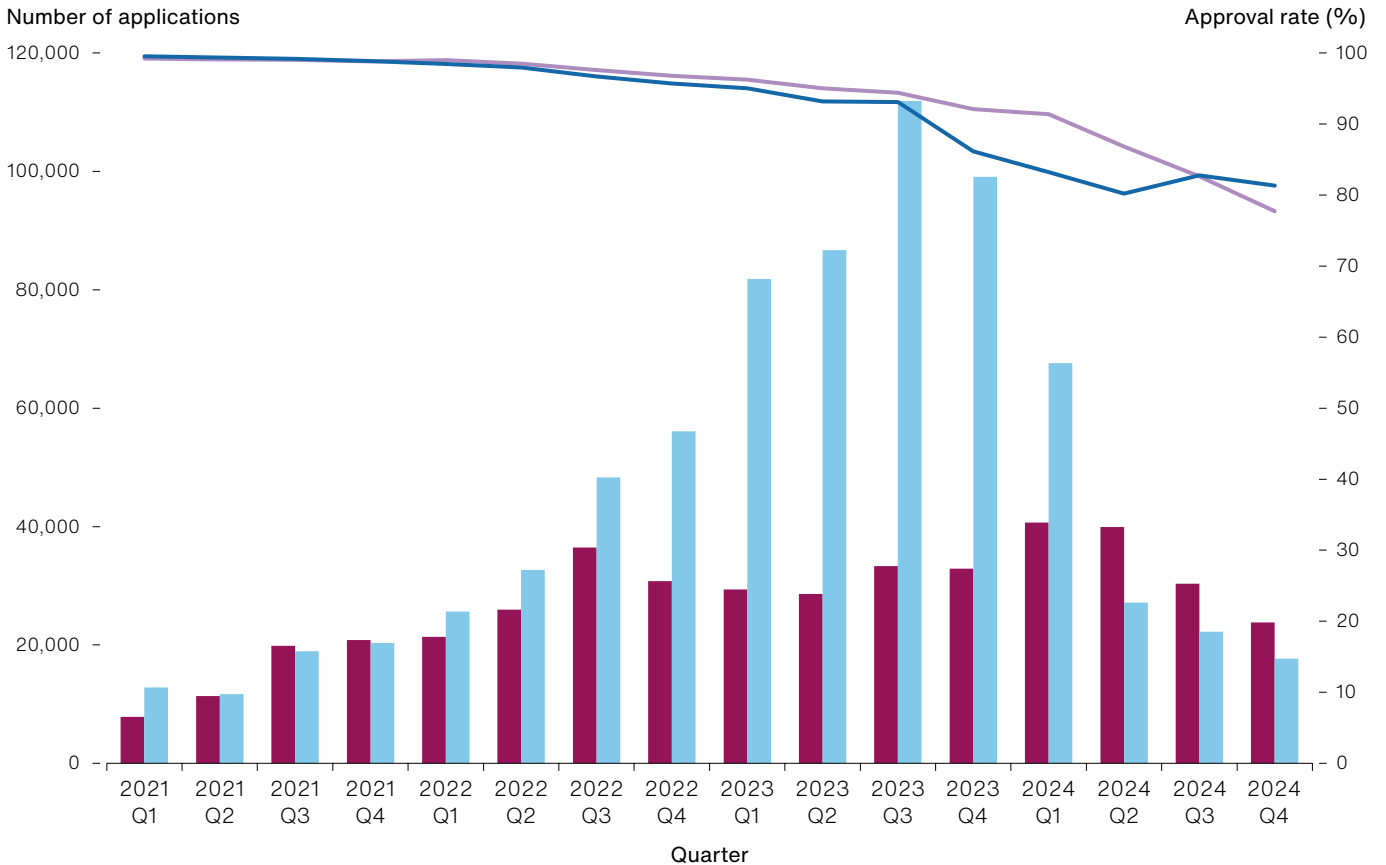
- 1 The Home Office makes compliance referrals when it receives intelligence which requires further investigation.
- 2 Sponsor checks take place when sponsors are investigated to establish if further compliance activity is required.
- 3 Compliance visits are physical inspections of sponsors' premises.
- 4 'B-rated to action plan' is a compliance outcome following a sponsor licence being suspended. Sponsors are given three months to address failings and are 'downgraded' to a B-rating and cannot take on additional skilled workers.
- 5 Digital compliance audits were introduced in 2023 and are virtual compliance checks on sponsors, carried out using video calling technology.
- 6 The Home Office was unable to provide data for the number of sponsor checks undertaken in 2022.
- 7 This figure is based on local Home Office data that has not been formally quality assured.

Source: National Audit Office analysis of Home Office data

Figure 10

Number of applications and approval rate for the Skilled Worker and Health and Care Worker visa routes, 2021 to 2024

The Home Office has refused a higher percentage of applications in 2023 and 2024



- Skilled Worker
- Health and Care Worker
- Approval rate – Skilled Worker
- Approval rate – Health and Care Worker

Note

1 The approval rate is the proportion of granted applications each quarter.

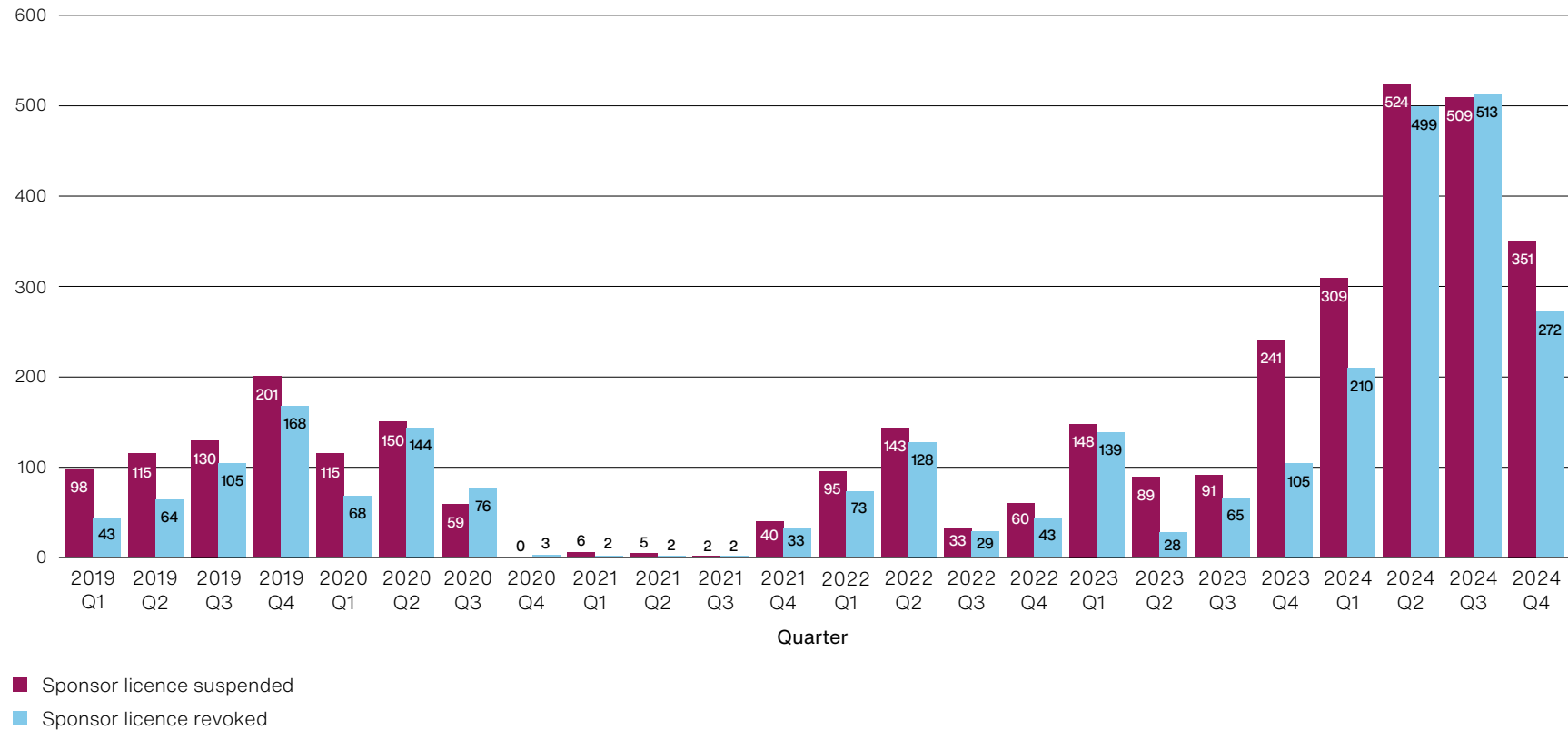
Source: National Audit Office analysis of Home Office data

Figure 11

Number of sponsor licence suspensions and revocations, 2019 to 2024

The number of suspensions and revocations of sponsor licences issued by the Home Office increased in 2024, compared with previous years

Number of sponsor licences



Source: National Audit Office analysis of Home Office data

3.21 We identified scope to make better use of data to strengthen compliance activity and oversight.

- **Risk assessment:** The Home Office’s risk registers do not cover wider risks to the visa system, including overseas exploitation, labour market abuse or overstaying. This limits the Home Office’s capacity to understand and address cross-cutting risks.
- **Better data on the effectiveness of compliance activity:** The Home Office has limited data on the outcomes of different types of compliance activity to assess the relative effectiveness of different interventions.
- **Data sharing with other departments** could strengthen compliance work: For example, the Home Office and HMRC share some data on salaries and working hours, but this is not yet sufficient to allow the Home Office to identify non-compliance.
- **Prompt and thorough review of the impact of policy changes** on compliance and safeguarding could help the Home Office to identify emerging risks and inform decisions about future changes to the route.

3.22 The Home Office is taking steps to strengthen its approach. In October 2023, it worked with the Department of Health & Social Care (DHSC) to assess options for addressing compliance risks in the health and care sector. In 2024, it introduced a new compliance strategy for the Skilled Worker visa route, aimed at making better use of intelligence to identify risks and using digital technology to conduct compliance activity. It also changed the information that sponsors in the adult social care sector are required to provide to demonstrate that they can offer genuine employment. In November 2024, the Home Office announced new measures to target employers who commit serious employment breaches, which will ban them from hiring overseas workers.

Working with other bodies to tackle exploitation risks and safeguard vulnerable applicants

3.23 The scale of exploitation of Skilled Worker visa holders is not fully known. This includes criminal activity such as trafficking, forced labour or debt bondage, and labour market abuse such as underpayment of wages and inappropriate working hours or conditions. Since the expansion of the Health and Care Worker visa route in 2022, stakeholders have expressed concerns about significant increases in exploitation. The Gangmasters and Labour Abuse Authority (GLAA) told us there has been a sustained increase in referrals from the care sector, which it has struggled to handle due to reductions to its funding. The Public Accounts Committee has highlighted concerns about increasing exploitation in the care sector, and the MAC also raised concerns about exploitation in the fishing sector, which the Home Office has not fully addressed.

3.24 The Home Office is responsible for safeguarding migrants entering the UK on a visa, including the identification and prevention of modern slavery. However, it does not have the remit to tackle wider labour market exploitation and recognises it must work with other bodies, for example:

- the GLAA, a non-departmental public body which focuses on exploitation and abuse within the labour market, covering some sectors in England and Wales, and protecting vulnerable and exploited workers by investigating modern slavery in the UK;³¹
- sector regulators – for example, in the care sector, the Care Quality Commission (CQC) which focuses on patient care, and local authorities, which are responsible for contracting and providing care, and regulating the provision of care in their communities; and
- other agencies, such as HM Revenue & Customs and the Employment Standards Agency, which are involved in monitoring pay and workforce standards.

3.25 The government has not yet set out a clear statement of responsibilities or developed a multi-agency plan to address labour exploitation, although it has produced a collective assessment of the risks of exploitation in the care sector, and the Department for Business and Trade will publish a strategy to address exploitation in this sector in 2025. The Home Office had input into this process. There is currently insufficient joint working to provide an effective response to the issue of exploitation of migrant workers and offer support, as the following examples show.

- **Prevention:** There is evidence of people being charged significant fees in their home countries to obtain a Skilled Worker visa – vastly beyond the fees and charges levied by the Home Office. While overseas intervention is not within the Home Office’s remit, there has been limited engagement with the Foreign, Commonwealth & Development Office or overseas partners to tackle this abuse. The DHSC and the Home Office have produced guidance for applicants in the health and social care sector, providing information and advice on workers’ rights and safety.

³¹ The government has announced that the GLAA will be abolished, and its work subsumed into a new Fair Work Agency, which will bring together the state’s enforcement activities around employment rights.

- **Local action:** The Home Office engages ‘regional hubs’ for local authority areas and ADASS (directors of adult social services) and copies them into emails when sponsor licences are revoked in their area. However, local authorities highlighted that this information did not always reach them in a timely manner, and that they were not always aware of safeguarding concerns or of the number of workers affected by sponsor licences in their area, leaving them unable to perform their statutory duties or provide support for workers who no longer have a valid visa. They suggested that more work may need to be done on a national and local level to ensure that information is appropriately shared.³² The GLAA estimated that around 34,000 workers in the care sector have been impacted by revoked sponsor licences. The Public Accounts Committee has previously recommended that DHSC take responsibility for addressing the challenges associated with international recruitment in the sector, including the risks of exploitation. As part of its response, DHSC has provided £16 million to fund 15 regional partnerships across England to enable local authorities to support migrants to find new employment in the care sector when their employer’s sponsor licence is revoked.³³
- **Working with stakeholders:** The Home Office holds regular meetings with other government agencies with a role in preventing labour market exploitation. However, it could make better use of feedback from stakeholders to improve its risk management and oversight of exploitation in the visa system. As of December 2024, it had not implemented responses to two recommendations from the Independent Chief Inspector of Borders and Immigration relating to exploitation in the care sector. In addition, there has not always been a holistic response to the MAC’s recommendations. In 2023, the MAC stated that the government had failed to respond to recommendations on pay and professionalisation which could have reduced exploitation of migrant workers.

3.26 The Home Office has made progress in addressing safeguarding concerns. It does not have an organisation-wide safeguarding policy, but its customer services operations have a safeguarding strategy, and it has established a network to co-ordinate its response across business areas and share intelligence with stakeholders. Some stakeholders told us the Home Office has not taken adequate action to address concerns about exploitation and abuse. They described revoking sponsor licences and cancelling applicants’ visas as “blunt instruments” which do little to address exploitation or support vulnerable individuals. Stakeholders also highlighted that migrant workers are often unwilling to report exploitation for fear of jeopardising their immigration status.

32 The Skilled Worker visa system is based on a sponsorship model where a migrant’s right to remain in the UK is dependent on their employers. When sponsors have their licences revoked, sponsored workers have their visa cancelled and must leave the UK or secure alternative employment within 60 days.

33 These regional partnerships engage local authorities, local care alliances, local providers and other actors with an interest in care to support them in responding to unethical international recruitment practices in the sector.

3.27 The Home Office is responsible for overseeing the National Referral Mechanism, which is the framework for identifying and referring potential victims of modern slavery to ensure they receive appropriate support. There have been an increasing number of referrals, with 17,004 in 2023, the highest number since the mechanism was introduced. However, the proportion who received a 'conclusive grounds' decision (6,528 in 2023) – recognising them as a victim of modern slavery and enabling them to access support – has fallen since 2022. The Home Office was not able to provide data on the number of referrals relating to people with Skilled Worker visas, but labour exploitation is the most common reason for referrals overall.

Appendix One

Our audit approach

Our scope

1 Our audit examines the Home Office's management of Skilled Worker visas since the government opened the route in December 2020. Our aim was to assess the Home Office's understanding and performance to provide an objective assessment of the effectiveness of the system and management of the route. The aim is to inform the future design and operation of the system. We focused on the Skilled Worker visa route as it forms a large component of overall migration and is important to the UK economy. The findings from this report will also be relevant to the Home Office's management of other visa routes.

2 We examined three specific areas:

- whether the Home Office has an effective approach to adjusting the Skilled Worker visa system;
- whether the Home Office is effectively monitoring and managing how the Skilled Worker visa system is performing, including how it addresses non-compliance; and
- how the Home Office has learnt lessons and used data to improve the Skilled Worker visa system.

3 We examined the Home Office's approach to making changes to the route's entry requirements since January 2021. While recognising that it must manage competing priorities from the government's immigration policy and skills agenda, our assessment focussed on its processes, use of evidence and engagement with other government departments. Our assessment of the Home Office's management of operations focused on its performance in providing a good customer service and effectively tackling non-compliance, including reviewing its mechanisms for strengthening its approach. We drew on specialist expertise from across the National Audit Office to design our audit approach and reach judgments on the Home Office's performance.

Our evidence base

4 In examining these issues, we drew on a variety of evidence sources.

Document review

5 We reviewed documents to draw conclusions about our study questions and support our understanding of the Skilled Worker visa system. This included Home Office's published and unpublished documents relating to the Skilled Worker visa route including business cases, risk registers, performance reports, internal guidance documents, financial data, information about compliance activities, and workflow data tables. We reviewed these documents to gain a better understanding of how the Skilled Worker visa system has been designed, how day-to-day operations are managed and the learning that takes place.

6 We also reviewed published reports and documents covering, or relevant to the Home Office's management of the Skilled Worker visa system, including reports from stakeholders in the third sector and documents received from other government departments that oversee sectors using the Skilled Worker visa system.

Interviews

7 We carried out interviews with teams from across the Home Office between August and December 2024 to understand their role in the system. We met with teams responsible for policy design, forecasting and performance analysis as well as operational and compliance teams working on administering the Skilled Worker visa system. Interviews were mainly conducted online. We met with teams responsible for:

- producing the published immigration statistics;
- producing Home Office forecasts for work visas;
- planning and implementing changes to the Skilled Worker visa route and shortage occupation list;
- evaluating any system changes, or conducting impact assessments;
- monitoring operational performance and service standards;
- litigation and administrative reviews within the Skilled Worker visa route;
- compliance, discussing their activity, risk assessment processes, data and trends;
- communications with applicants and sponsors;
- safeguarding;
- risk management and mitigation;

- managing engagement with other government departments and stakeholders in the system;
- overseeing revenue from fees, and any issues related to fee changes;
- workflow management; and
- managing the IT used to administer the Skilled Worker visa system.

8 We also conducted interviews with officials from other governmental departments, including the Department for Environment, Food & Rural Affairs, the Department of Health & Social Care, the Department for Business and Trade, HM Revenue & Customs; and the Department for Education. The purpose of these was to understand the role other departments had in the design of the policy, the impact of the system on sectors they have oversight of, and the extent of the cross-governmental working taking place.

9 We engaged with the Migration Advisory Committee to understand its role in reviewing the Skilled Worker visa route, and reviewed its reports and engagement with the Home Office.

10 Our interviews covered a wide range of topics but were primarily focused on how different teams within the Home Office played a role in managing and changing the Skilled Worker visa system, and how the Home Office monitors the system and deals with non-compliance. Interviews were analysed thematically, to support and develop insights from Home Office data and documentation.

Stakeholder call for evidence

11 We carried out a call for evidence, inviting stakeholders to submit written responses about their experience of the Skilled Worker visa system. We identified stakeholders via desk research and discussions with the Home Office. The call for evidence covered questions including but not limited to:

- the strategic overview of the system;
- the impact of rule changes;
- experience of the application process;
- compliance and enforcement activities; and
- the future of the system.

12 We received a good take-up of our invitation to contribute, receiving responses from:

- the Migration Observatory;
- the Confederation of British Industry;
- the Veterinary Public Health Association;
- the British Veterinary Association;
- the Gangmasters and Labour Abuse Authority;
- Citizens Advice;
- the Migrants' Rights Network;
- the Cavendish Coalition;
- Care England;
- Skills for Care;
- the Nuffield Trust;
- Homecare Association;
- the Local Government Association;
- the Recruitment & Employment Confederation;
- the Food Standards Agency;
- FLEX (Focus on Labour Exploitation);
- ADASS (Association of Directors of Adult Social Services);
- VODG (Voluntary Organisations Disability Group);
- Migrants At Work Ltd; and
- the Justice for Sponsored Workers Campaign.

13 We met with nine of these stakeholders after receiving their submissions to further discuss their views on the system. Fieldwork took place between July and December 2024. The data gathered from stakeholders were analysed thematically in order to present a summary of stakeholders' views and concerns about the system.

Quantitative analysis

14 There are many public datasets available related to the Skilled Worker visa system. We have collated and analysed data both relating to users of the system and the Home Office operations. These data include, but are not limited, to:

- long-term international immigration (Office for National Statistics);
- visa application and grant numbers (gov.uk);
- sponsor organisation numbers (gov.uk);
- visa extensions (gov.uk);
- visa nationality (gov.uk);
- occupations of visa holders (gov.uk);
- UKVI processing times (gov.uk); and
- UKVI customer satisfaction (gov.uk).

15 These datasets have been key in understanding the context of the topic area, and how use of the system and operations have changed over time. They have also provided data for figures in the report. We primarily focused our data analysis on identifying trends and comparing Home Office performance over time. This included analysis covering the number of visa applications and sponsor licences received by the Home Office, Home Office performance against key customer service targets, and the scale of Home Office compliance activity.

16 Some data, primarily those covering compliance activity and finance, were drawn from unpublished Home Office databases. On some occasions the data provided by the Home Office differed from values it had previously provided due to changes in performance over time, or involved a degree of estimation. We considered the reasons for changes in the data and the robustness of our estimations and decided that it was appropriate to use the data the Home Office provided during this audit.

17 We carried out experimental analysis of the correlation in DfE vacancy data with HMRC employment data and conducted regional analysis for occupations on the Immigration Salary List. The geographical and sector-based breakdowns provided us with a more granular analysis of how effectively the system is working, which goes beyond the higher-level data published by the Home Office. As this analysis was experimental, it was used to inform our engagement with the Home Office and recommendations for future improvement, rather than as the basis for our conclusions.

Site visit

18 In September 2024 we visited UKVI's visa processing office in Sheffield for four days. The purpose of this visit was to observe caseworkers process applications and to interview staff and managers to understand the day-to-day operation of the system.

19 We had face-to-face engagement with staff across the different work streams, including those who processed applications, those working in compliance and those responsible for managing the Risk Hub, which oversees risk identification and management. This engagement involved a series of informal interviews and discussions, and observing the systems and processes used in these areas of the system.

This report has been printed on Pro Digital Silk and contains material sourced from responsibly managed and sustainable forests certified in accordance with the FSC (Forest Stewardship Council).

The wood pulp is totally recyclable and acid-free. Our printers also have full ISO 14001 environmental accreditation, which ensures that they have effective procedures in place to manage waste and practices that may affect the environment.



National Audit Office

Design and Production by NAO Communications Team
DP Ref: 013942-001

£10.00

ISBN: 978-1-78604-602-4