

Tier 1 (Investor) Visa - now the Home Affairs Select Committee gets in on the Act

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In a surprise move, a recommendation for the suspension of the Tier 1 (Investor) visa route has been made by the Home Affairs Select Committee in its latest report on the work of the Immigration Directorate, published on Friday.

Any such suspension could be introduced on no notice and would mean that no fresh applications could be made. There are even precedents for a suspension to also apply to existing applications that have been filed but not yet decided. Migrants intending to use this visa route need to act quickly if they wish to 'lock in' to the route while it is still available in its current form.

There has been little press comment over the weekend on this development, despite it following closely on the heels of the recent report of the Migration Advisory Committee ('MAC'), chaired by Professor Sir David Metcalf, on the Tier 1 (Investor) visa route which has been widely discussed – [click here](#) see our recent comment on that report.

Citing their alarm at Professor Metcalf's 'admission about the purchase of gilts for citizenship' (whatever that means), the Select Committee recommends the suspension while the government 'considers the options for a system more beneficial to the UK', as outlined in the recent MAC report.

The Select Committee is appointed by the House of Commons (not the government) and its terms of reference are to examine the expenditure, administration and policy of the Home Office. It is an important body and needs to be taken seriously.

But is there a case for suspension?

- Whilst the Select Committee's recommendation taps into the current political disquiet with the issue of immigration and the 'citizenship for sale' policies of several European countries, its reasoning demonstrates a clear lack of understanding in depth of the detail of UK immigration and citizenship law and procedure and this may impact on its credibility.
- The recommendation is not based on any evidence of abuse, the usual reason for drastic action such as suspension of a visa route. A detailed reading of the MAC report gives no justification whatsoever for a suspension.
- The MAC was satisfied, after taking detailed evidence, that the route does not appear to do any harm and 'is an important mechanism to demonstrate that the UK is open for business. This is a particularly important consideration in difficult times, where competition among nations to attract high net worth individuals is increasing, in part due to the need to drive economic growth or increase revenues.' Professor Metcalf highlights this in his foreword to the MAC report, saying that 'even if – as the MAC suspects – this route confers less benefit to the UK than is normally asserted, there may be a case for retaining it to signal that the UK is open and welcoming to people who wish to contribute to the wellbeing of UK residents.'
- A suspension of the route is going to do the exact opposite and reduce confidence in the stability of our immigration system, one of the main problems of which is the frequency with which changes are made (in 2013 alone there were 13 statements of changes in the immigration rules). A degree of stability is cried out for, especially in one of the most viable routes for attracting foreign capital to the UK in a time of increasing competition.

There is no urgency on the government to respond to the Select Committee's recommendation. The convention is that the Government must respond within two months of publication. But populist pressures may require a quicker response.

However, this recommendation is unnecessarily alarmist. Suspension of a visa route is usually only used in the face of suspected abuse and there has never been a hint of any abuse associated with this visa route, merely a suggestion that it may not be of as much direct benefit to the UK as had generally been presumed.

What is clear is that the Tier 1 (Investor) visa route is 'in play' at a political level and it is extremely likely that changes (maybe even suspension) will happen. As stated above, anyone seriously considering relocating to the UK under the route should take action now.