

Mobility: Immigration alert

August 2023



United Kingdom

Increase in penalties for employers and landlords that hire or rent to individuals who do not hold lawful immigration status in the UK

Executive summary

On 7 August 2023, the UK Home Secretary [announced](#) upcoming plans to increase fines for employers and landlords that are found to be employing or renting to individuals who do not hold lawful immigration status in the UK. These changes will come into force in early 2024.

Key developments

As part of a plan to make the UK economy less attractive for individuals without lawful immigration status, the Home Secretary announced an increase in the penalty for impacted employers of up to GBP 45,000 (up from GBP 15,000) for the first breach and up to GBP 60,000 (up from GBP 20,000) for subsequent breaches.

Landlords will be subject to fines of up to GBP 5,000 per lodger (up from GBP 80) and up to GBP 10,000 per occupier (up from GBP 1,000) for the first breach. Subsequent breaches could result in penalties of up to GBP 10,000 per lodger (up from GBP 500) and up to GBP 20,000 per occupier (up from GBP 3,000).

Impact on employers

The financial consequences for noncompliant employers and landlords will be significantly higher starting next year. These individuals may establish a statutory defense against such penalties by conducting appropriate right to work checks by manually reviewing employees' or renters' documents or via the Home Office's online portal. Employers may consult the UK government's [right to work](#) guide for more information.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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