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# Failing innovator visa will cost UK economy: Experts

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EXPERTS HAVE CRITICISED THE ENTRY RULES INTRODUCED EARLIER THIS YEAR FOR EXPERIENCED BUSINESS PEOPLE. THEY CLAIM IT RISKS PUTTING OFF TALENT FROM INDIA, PAKISTAN AND BANGLADESH AS THE UK AIMS TO REBUILD ITS ECONOMY AFTER BREXIT (PHOTO: MATT CARDY/GETTY IMAGES).

A NEW VISA FOR OVERSEAS ENTREPRENEURS TO WORK IN BRITAIN IS TOO STRICT, AND HAS BEEN DESCRIBED BY SOME AS A "COMPLETE DISASTER".

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THE NUMBER OF INNOVATOR VISAS ISSUED BARELY REACHED DOUBLE FIGURES IN AUGUST, ACCORDING TO LEGAL SOURCES. IN COMPARISON, MORE THAN 1,100 TIER 1 ENTREPRENEUR VISAS, WHICH WAS THE PREVIOUS ENTRY REQUIREMENT, WERE GRANTED LAST YEAR.

THE 29 ENDORSING BODIES, SOME RUN BY BANKS AND INVESTMENT FUNDS, HAVE BEEN FLOODED WITH APPLICATIONS FROM FOREIGN ENTREPRENEURS. BUT EACH BODY IS LIMITED TO 25 ENDORSEMENTS A YEAR UNLESS THEY SEEK PERMISSION TO OFFER MORE, AND EXPERTS SAY THE CRITERIA OFTEN FAVOURS ONLY TECH FIRMS. AT LEAST FOUR OF THE ORIGINAL ENDORSING BODIES HAVE DROPPED OUT AFTER REPORTEDLY STRUGGLING TO COPE WITH APPLICATIONS.

TAMANA AZIZ, BUSINESS IMMIGRATION DIRECTOR AT DUNCAN LEWIS SOLICITORS, TOLD *EASTERN EYE*: "EXPERIENCED BUSINESS PEOPLE HAVE TO SECURE AN ENDORSEMENT OF THEIR BUSINESS IDEA BY GOVERNMENT-

APPROVED ENDORSEMENT BODIES PRIOR TO SUBMITTING AN APPLICATION FOR ENTRY CLEARANCE.

“THIS NEW VISA CATEGORY DOES NOT SEEM TO BE BUSINESS-FRIENDLY AND IS STRICTER THAN THE PREVIOUS TIER 1 ENTREPRENEUR ROUTE.

“AS A BUSINESS IMMIGRATION SPECIALIST, I BELIEVE THIS NEW ROUTE WILL HAVE AN IMPACT ON ATTRACTING ENTREPRENEURS FROM SOUTH ASIA. THEY WILL SURELY CHOOSE A MORE PREDICTABLE AND SUSTAINABLE SOIL WHERE THEY –RATHER THAN A THIRD-PARTNER ENDORSER – HAVE CONTROL OF THEIR BUSINESS IDEA.

“FURTHER, THE RISK OF A RESTRICTIVE SYSTEM FOR ENTREPRENEURS IS THAT IT DAMAGES THE UK’S HARD-WON REPUTATION FOR OPENNESS AND FOR WELCOMING BUSINESSES FROM ASIA.”

UNDER THE TOUGHER RULES, ENDORSING BODIES OFTEN DEMAND THAT COMPANY OWNERS FROM ABROAD GIVE UP SHARES, GO THROUGH AN INCUBATOR PROGRAMME OF THREE MONTHS OR MORE, AND ALSO PITCH THEIR IDEA IN PERSON, SIMILAR TO THE BBC SHOW DRAGONS’ DEN.

JAFFER KAPASI OBE, FROM THE EAST MIDLANDS CHAMBER IN LEICESTER, TOLD *EASTERN EYE*: “THE INNOVATOR VISA LAUNCHED TO ATTRACT TALENTS AND SKILL HAS BEEN A COMPLETE DISASTER. THE WHOLE SYSTEM NEEDS AN URGENT AND COMPLETE OVERHAUL TO BECOME USER-FRIENDLY AND HIGHLY ATTRACTIVE TO INNOVATORS WHO WILL SUPPORT AND UPLIFT THE FUTURE OF THIS NATION.

“FROM THE EXPERIENCE OF APPLICANTS IT’S A VERY SLOW PROCESS, IS NOT VERY CLEAR AND SEEMS TO BE AIMED AT STOPPING IMMIGRATION.

“OPENNESS AND TRANSPARENCY WILL BOOST THE NUMBER OF APPLICANTS IN ALL SECTORS OF THE INDUSTRY.”

A FREEDOM OF INFORMATION REQUEST TO THE HOME OFFICE ASKED HOW MANY APPLICATION HAD BEEN MADE FOR THE INNOVATOR VISA. BUT THE REQUEST BY LONDON IMMIGRATION SOLICITORS QORE LEGAL WAS REJECTED ON THE GROUNDS THAT IT WAS NOT IN THE PUBLIC INTEREST.

KAPASI ADDED: “THE REFUSAL BY HOME OFFICE TO DISCLOSE THE NUMBER OF SUCCESSFUL APPLICATION MEANS THAT THE SYSTEM HAS MISERABLY FAILED. THE GOVERNMENT NEED TO RECOGNISE WE ARE GETTING EXCEPTIONAL TALENTS AT ZERO COST – A BRAIN DRAIN IN REVERSE.

“TECH JOB VACANCIES STILL REMAIN UNFILLED AND OTHER SECTORS IN THE INDUSTRY NEED TO EQUALLY GAIN FROM THE INNOVATOR VISA.”

IT COMES AFTER BRITAIN’S PRIME MINISTER BORIS JOHNSON WAS, ON AUGUST 21, GIVEN UNTIL THE THIRD WEEK OF SEPTEMBER BY GERMAN CHANCELLOR ANGELA MERKEL TO STRIKE A DEAL WITH EU CHIEFS, WITH THE THREAT OF A NO-DEAL BREXIT GROWING.

ANALYSTS HAVE WARNED THAT THOUSANDS OF TECH JOBS GO UNFILLED EACH YEAR BECAUSE OF A LACK OF QUALIFIED CANDIDATES.

PHILIP SALTER, FOUNDER OF THE ENTREPRENEURS NETWORK THINK TANK, SAID: “THE IMPLEMENTATION HAS BEEN WOEFUL, FAILING TO CONSULT PROPERLY AND LEAVING ENTREPRENEURS, ADVISERS AND POTENTIAL ENDORSING BODIES IN THE DARK. FIXING IT SHOULD BE A TOP PRIORITY FOR THE NEW GOVERNMENT.”

THE HOME OFFICE WROTE TO THE ENDORSING BODIES ASKING TO MEET THEM BY THE END OF AUGUST. IT SAID IT EXPECTED TO RECRUIT MORE ENDORSING BODIES. “WE ARE PARTNERING WITH SOME OF THE UK’S LEADING BUSINESS DEVELOPMENT EXPERTS AND UNIVERSITIES WHO WILL ASSESS AND APPROVE APPLICANTS’ BUSINESS SIDE AS,” A HOME OFFICE STATEMENT SAID.

MEANWHILE, BRITISH TECH START-UPS RECEIVED A RECORD \$6.7 BILLION (£5.5 BN) IN NEW FUNDING THIS YEAR, 50 PER CENT MORE THAN THE SAME PERIOD LAST YEAR. THE COMPANIES ARE ON COURSE TO SECURE MORE THAN \$11BN BY THE END OF THE YEAR, ECLIPSING LAST YEAR'S TOTAL OF \$8.7BN, ACCORDING TO OFFICIAL FIGURES.

THE DATA, FROM THE GOVERNMENT'S DIGITAL ECONOMY COUNCIL, SUGGESTS THAT BRITAIN REMAINS THE MOST ATTRACTIVE COUNTRY IN EUROPE FOR OVERSEAS TECH INVESTORS, MAINLY FROM THE US AND ASIA.

IN THE PAST FIVE YEARS US AND ASIAN INVESTORS HAVE PUT \$14.6BN INTO UK TECH STARTUPS, COMPARED WITH \$6.5BN AND \$2.5BN FOR THEIR GERMAN AND FRENCH COUNTERPARTS.



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