

The Real Cost of Coming to the UK: Preliminary Evidence of Tied-Visa Exploitation

Migrants At Work | Preliminary Findings Brief | 2026

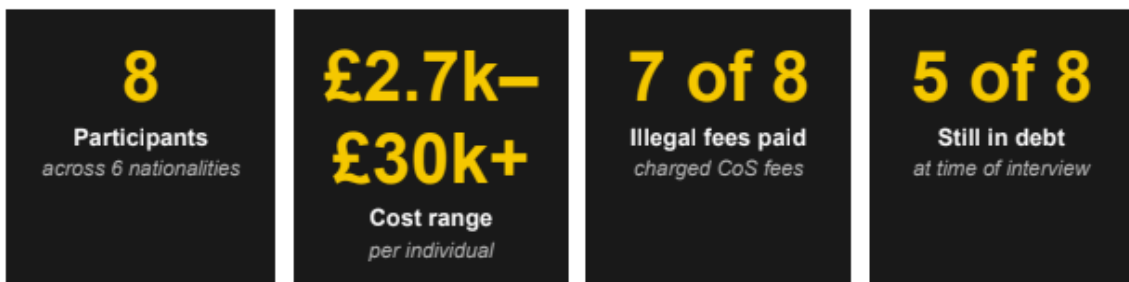
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About

This briefing presents preliminary findings from Migrants At Work's data collection project investigating the hidden financial costs and systemic exploitation experienced by migrant workers arriving in the UK on sponsored visas.

Data was gathered directly through structured interviews using a standardized template covering: official visa costs, Certificate of Sponsorship (CoS) payments, illegal recruitment fees, debt accumulation, post-arrival wage deductions, and human impact. Given the small, intentional sample size, this brief serves as a qualitative snapshot illustrating patterns of structural exploitation within the sponsorship system to inform ongoing policy enforcement.

Key Insights:



1. The Policy Gap: Statutory Fees vs. Real-World Costs

The underlying failure of the sponsorship system lies in the discrepancy between statutory UK Home Office fees and the actual financial toll imposed on applicants by rogue recruiters and employers.

The Statutory Baseline

For an individual applying from outside the UK on a 3-year track, official government and mandatory entry costs should total approximately £629.70:

- Visa Application Fee: £284.00
- Base Biometrics Fee: £19.20
- Potential "User-Pays" Center Booking Fee: £76.50
- Average English Exam Cost (SELT): £150.00
- Average Tuberculosis (TB) Test Cost: £80.00
- Average Local Police Check & Shipping: £20.00
- *Note: Health and Care visa holders are legally exempt from the Immigration Health Surcharge (IHS). This doesn't include transport costs to the UK.*

The Empirical Reality

The data demonstrates that for these participants sponsors routinely bypassed these protections, converting official fee exemptions into illicit corporate margins by passing on corporate licensing costs or inventing arbitrary fees.

Participant	Nationality	Arrival Year	Total Costs Paid	Of Which Was Illegal CoS Fee	Post-Arrival Debt Status
Participant A	India	2021	~£30,000	£20,000	Yes – forced to sell property
Participant G	Nigeria	2023	~£12,000	None disclosed	Yes – loans from friends/colleagues
Participant D	Uganda	2025	~£11,620	£11,500	Yes – owed directly to exploiter
Participant B	South Africa	2023	~£10,700	£8,000	Yes – £3,500 debt at 30% interest
Participant C	Zambia	2023	~£9,500	£7,000–£8,000	Yes – family loan
Participant E	Nigeria	2023	~£8,237	£4,000	Yes – £6,500 debt remaining
Participant F	Zimbabwe	2023	~£2,670	Undisclosed	Yes – £1,500 debt at 5% interest

Furthermore, multiple participants noted that official fees were required to be paid directly into a recruiter or agent's private bank account rather than directly to the Home Office, completely eliminating financial transparency.

While this briefing draws on a small qualitative sample, recent Home Office enforcement activity suggests wider concerns within the sponsorship system. Between July 2024 and June 2025, the Home Office revoked 1,948 sponsor licences, more than double the previous year's total of 937. Government statements accompanying these enforcement actions cited concerns including underpayment, non-compliance with sponsorship duties, and the exploitation of sponsored workers. These findings should therefore be understood as illustrative examples of risks that have already attracted significant regulatory attention.

2. Mechanisms of Control: Coercion and Wage Theft

Charging workers for a Certificate of Sponsorship (CoS) or to secure a job offer is strictly unlawful under UK regulations. To obscure this, agencies masked extortionate fees under deceptive labels such as "Recruitment Fee", "Admin Fees", "Training Costs", or falsely claiming a "Health Surcharge and Admin Fee" despite the sector's explicit IHS exemption.

The participants in this research described behaviours of employers and agencies suggesting that they intentionally concealed the illegality of these charges, actively forcing workers to assist in evading

UK border enforcement:

"If you are asked at the airport, say you paid your fees to the government, not via a third party."

– *Explicit instruction issued to Participant C by their UK sponsor.*

Post-Arrival Deductions

Exploitation did not terminate upon arrival. Once in the UK, these sponsors weaponized the worker's visa dependency to enforce ongoing, predatory financial clawbacks that pushed real income far below legal survival lines:

- **Wage Theft via "Loan" Repayments:** Participant A suffered a direct deduction of £1,100 out of a £1,800 monthly salary, framed by the employer as repayment for a corporate loan.
- **Severe Underpayment:** Participant B received just £700 per month for full-time, live-in care work during their first three months, under the employer's claim that the business "was not financially prepared."
- **Tied Housing and Debt Overlap:** Participant D was forced to pay £200/month rent and £100/month bills directly to the recruiter she was living with, while simultaneously being hounded to repay a fabricated £12,000 migration debt.
- **Mandatory Assets:** Participant F was forced to pay £500/month in rent directly to their employer and was mandated to purchase a specific car (£1,500) from them as an absolute condition of employment.

3. The Human Cost and Barriers to Reporting

Because almost all participants entered the UK heavily indebted, the threat of losing visa sponsorship acted as a powerful structural silencer. Workers acutely understood that complaining or leaving would trigger visa revocation, forcing them to endure profound human suffering:

- **Severe Health Consequences:** Participant A (who has epilepsy) suffered severe stress-induced seizures; Participant G described experiencing a miscarriage during a period of severe financial and psychological stress..
- **Retaliatory Homelessness:** When the Home Office subsequently revoked Participant D's sponsor license, her recruiter immediately threw her belongings onto the street.

"We are no longer valued, despite the work that I have put in... considering that we have spent the past two years repaying the traffickers who brought us into this country."

– Participant D

"It is a lot of money. I feel like we are being ripped off... We are contributing to the economy – imagine if all migrant workers packed up our bags and left."

– Participant G

When asked whether they would report abuses to enforcement agencies, Participant G's response highlighted the major flaw of an employer-tied visa system:

"Yes, if I was assured of support, but not if it risked losing my visa. I would not approach or fight a current sponsor without the security of keeping my CoS."

The interviews suggest that sponsor dependency is a key factor preventing workers from reporting exploitation. Participants repeatedly described fears that losing employment would jeopardise their immigration status, housing, income, and ability to repay debts.

4. Implications for Current Immigration Reform

The findings in this briefing point to a common theme: immigration dependency can limit workers' ability to challenge exploitation. Current immigration reforms should therefore be assessed not only in terms of migration control objectives, but also in terms of their potential impact on workers' ability to exit abusive situations and report unlawful conduct.

While this study was not designed to evaluate the government's proposed Earned Settlement reforms, the findings raise important questions about how longer periods of sponsorship dependency may affect workers' ability to report abuse.

The government's proposed Earned Settlement model may have significant implications for sponsored workers experiencing exploitation. The participants interviewed for this briefing consistently described fear of losing sponsorship as a major barrier to reporting abuse. By replacing the traditional 5-year pathway to Indefinite Leave to Remain (ILR) with a 10-year baseline for standard applicants, the window of vulnerability has doubled. If workers are required to spend longer periods tied to sponsorship arrangements before securing settlement, policymakers should consider whether this could prolong exposure to the same forms of dependency identified in this research.

Compounding this, the Home Office's April 2026 visa fee increases (raising Skilled Worker out-of-country applications to £819 and settlement to £3,226) mean upfront migration costs are higher than ever. Given that many participants relied on loans, recruiters, employers, or family borrowing to finance migration costs, policymakers should consider whether rising visa fees may increase dependence on third-party financing arrangements.

5. Policy Recommendations

To reduce exploitation within the sponsorship system under the post-2026 rules, Migrants At Work demands the following immediate legislative interventions:

1. **Sponsor-Independent Protection Periods:** Implement a protective "firewall" period allowing any sponsored worker who reports exploitation, or whose sponsor loses their license, to secure alternative employment without losing their right to remain.
2. **Immigration-Linked Whistleblowing Protections:** Introduce statutory protections that legally decouple employment whistleblowing from immigration status. A worker reporting a sponsor to the Fair Work Agency must be granted automatic temporary leave-to-remain extensions, preventing employers from using the threat of immediate deportation as a tool of enforcement evasion.
3. **Proactive Inter-Agency Auditing (FWA & Home Office):** Leverage the newly established Fair Work Agency's proactive inspection powers to cross-reference issued Home Office Certificates of Sponsorship (CoS) against actual organizational payroll records. The FWA must systematically audit high-risk sponsorship sectors to catch illicit wage deductions and "loan" clawbacks without relying on vulnerable individuals to risk their visas by making a formal complaint.