BUSINESS IMMIGRATION

How to respond to sponsor licence revocation

What employers can do during a compliance visit, while their licence is suspended and after the Home Office decides to revoke it.



England and Wales

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PRACTICAL POINT

Record what happened while the evidence is available. Read the interview record before confirming its accuracy, preserve proof of submissions and identify the precise ground on which the Home Office acted.

Identify the ground and the deadline

This briefing concerns Worker and Temporary Worker sponsor licences. Start with the Home Office letter. Record when you received it, distinguish suspension from revocation and identify each ground separately. Under Part 3 of the sponsor guidance, Annex C1 contains mandatory grounds on which the Home Office may revoke immediately. Under Annex C2, it will normally revoke unless there are exceptional circumstances. Annex C3 sets out grounds on which it may exercise discretion.

If your licence is suspended, sponsor duties continue. You normally have 20 working days from the written notification to submit representations and evidence. Address each allegation, identify the applicable guidance and distinguish disputed facts, admitted breaches and any mitigation. Submit the evidence with the response. Extensions are exceptional, so work to the stated deadline unless the Home Office confirms an extension.

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Read the interview record before signing

Compliance officers work to detailed Home Office procedures. Their questions and notes gather evidence that may later inform the decision. If a question assumes a disputed fact or a legal obligation, clarify the premise and give the facts. Ask whether your representative may attend and keep a dated note of the interview, documents provided and points left unresolved.

Ask for time to read every page before signing. If the officer offers to email the record afterwards, ask to review it before confirming its accuracy. Request specific corrections and ask for a copy. If a material inaccuracy remains, explain why you cannot sign the record as accurate and ask the officer to record your reasons. Continue to co-operate and send a dated written correction promptly. The Home Office guidance tells officers to record a refusal as evidence of non-compliance and to note any reasons given.

Consider recording only where it is lawful

A contemporaneous note and prompt written follow-up will often provide a proportionate record. If an audio recording would materially help, take advice on whether a recording of that specific interview is necessary and lawful. Raise it openly with the officer and those affected before recording. Their agreement alone does not establish a lawful basis under the United Kingdom General Data Protection Regulation (UK GDPR).

Closed-circuit television (CCTV) with continuous audio is particularly intrusive. The Information Commissioner's Office (ICO) advises that audio should be off by default. Continuous audio monitoring in a workplace is justifiable only in rare circumstances. Before using audio surveillance, assess necessity, proportionality and less intrusive options, document the lawful basis, complete a data protection impact assessment and give clear notice. Lexmark Legal can advise on whether and how a recording arrangement may lawfully be used.

Keep proof of submissions and corrections

Keep an independent record of every report or corrective step submitted through the Sponsorship Management System (SMS). Save the date and time, the exact text submitted, the relevant reference and any confirmation or response. Some submitted worker reports show only the initial activity type afterwards. Access is restricted during suspension and the Home Office SMS manual confirms that revocation prevents login.

Use a system-generated receipt or a targeted screenshot where available. If that leaves a material gap, an authorised user can consider a short screen recording of the relevant correction and submission, where lawful and necessary. Start after login. Exclude passwords, security codes and unrelated worker data. Store records securely, restrict access and preserve original files if a dispute is anticipated. Recording the steps does not itself make the report, establish that a change was accepted or cure an earlier breach.

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Assess whether the process was fair

Judicial review examines the lawfulness of the decision. The Administrative Court does not generally rehear the factual merits or substitute its view of the appropriate sanction. A challenge based on disagreement with the findings alone is difficult. Published cases show that procedural fairness can be decisive, including where the sponsor was given no meaningful chance to answer an allegation of dishonesty. In Supporting Care [2025] EWCA Civ 184, the Court of Appeal upheld the quashing of a revocation following an unfair dishonesty finding (paragraphs 129-140).

The size of the sponsor does not determine whether a challenge can succeed. In Moon Fish [2026] EWHC 2289 (Admin), a sponsor with three sponsored workers succeeded on procedural fairness and because the Home Office had misapplied a mandatory ground (paragraphs 128-150). In TJ Trading Express [2026] EWCA Civ 1368, the Court of Appeal held that fairness did not require prior representations on an undisputed, independently sufficient mandatory breach. A defect in the other ground did not lead to the revocation being quashed (paragraphs 71-84).

Ask what the Home Office should have put to you, how you would have answered, what contemporaneous evidence supports that answer and whether it could materially affect the outcome. If substantially the same outcome was highly likely, the court may have to refuse relief under section 31(2A) of the Senior Courts Act 1981. If the court quashes a revocation, the Home Office may reconsider and reach a fresh decision.

Act promptly after revocation

The sponsor guidance gives no right of appeal against revocation. Take advice promptly on whether to seek judicial review in the Administrative Court and whether urgent interim relief is needed. Under Part 54 of the Civil Procedure Rules (CPR), a claim must ordinarily be filed promptly and in any event within three months of the grounds first arising. Pre-action correspondence does not stop time running. A challenge does not itself restore the licence.

Preserve the decision, correspondence, visit notes, payroll and reporting evidence. Consider the position of sponsored workers separately and obtain advice before making assumptions about the effect on any individual's immigration permission.

SOURCES

Home Office sponsor guidance, Part 3

Home Office guidance for compliance visits

Home Office SMS guide 1, access

Home Office SMS guide 9, reporting worker activity

ICO guidance on monitoring workers

Prestwick Care and Supporting Care [2025] EWCA Civ 184

Moon Fish [2026] EWHC 2289 (Admin)

TJ Trading Express [2026] EWCA Civ 1368

Civil Procedure Rules, Part 54

Pre-Action Protocol for Judicial Review

This briefing provides general information. Its application depends on the facts and law in force.