

NEWSLETTER SPONSOR



Excellium are fully audited and approved by Professional Passport, which allows you to get on with your job, without having to worry about things such as tax and compliance risks.

With our state of the art portal EBS and the launch of Excellium TV we have established ourselves as an innovative, forward thinking company that provides the very best umbrella experience available.

Intra Company Transfer Rules Damaging The UK's IT Sector - Fact!

Responses to Professional Passport's Contractors' Opinion Poll clearly supports the belief that the intra company transfer rules [ICT's] are being widely abused by businesses as a way of bringing cheap foreign labour in to the UK.

"ICT - Intra Company Transfers abuse has had a devastating effect on the contract market, radical enforcement and heavy fines are needed" was just one of the many comments made by IT contractors who cited this as the main issue they believe needs to be resolved.

What makes the comments more striking is the complete contrast with those comments made from contractors in other sectors; which predominately relates to issues such as tax and IR35.

Over 60% of all contractors responding to the survey, across all sectors, stated that they believe visa loop holes are allowing cheap foreign labour to take UK contracting jobs.

Crawford Temple COO of Professional Passport commented: *"This clearly shows that ICT's are being abused and damaging the UK economy; with the results of the survey now providing irrefutable evidence to support those initial beliefs."*

The IT market seems to be the worst affected with many IT contractors specifically commenting on the issue in their responses to the survey: **"Intercompany visa transfers are destroying rates in the UK and creating an uneven playing field."**

This is an area that has, for some time, been seen by many as a simple way around the UK's visa rules; although this has been denied on many occasions by both Government and UKBA.

In December the Government responded to the claims by issuing the following statement on the UKBA website:

Under an intra-company transfer, an employer can fill vacancies in its UK operations by bringing across some of its existing foreign-based staff. It has been claimed that this enables jobs in the IT and other sectors to be taken by migrants who are paid less than resident workers, but this is not true - workers coming to the UK in the Tier 2 (Intra company transfer) category must be paid the going rate.

From the beginning of next year, workers in this category will need to have 12 months' experience (instead of six months as at present) with their employer before they can be transferred to the UK, and the category will be closed as a route to permanent settlement in the UK.

Border and Immigration Minister Phil Woolas said:

"Intra-company transfers are an important part of making the UK an attractive place in which to do business, and therefore keep industry and the economy moving.

Workers that come in via this route must display the appropriate level of earnings and qualifications, and the numbers are strictly controlled by the points-based system - meaning only those the UK needs can come here."

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Support Our Work

Become a member of Professional Passport

Membership starts at just £25.00 (+ VAT) per annum and provides a wide range of benefits.

Membership fees support our work with government and future developments of our services and website.

IR35 Concerns?

Have all your contracts reviewed for a fixed fee; providing a conclusions report to protect you from IR35 penalties.

Are you paying too much for your PI insurance?

Our members scheme will save you money. You only pay whilst you are on active contracts.

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COO Crawford Temple stated; *"The Professional Passport Contractors' Survey now provides us with the missing piece to the jigsaw. We all knew this was an issue but lacked the evidence from those workers who had been directly affected. The results of the survey now provide indisputable evidence of the abuse; and together with all the other evidence, must now make it impossible for the issue to be ignored, denied or glossed over by those in Government."*

He went on to say; "If any contractors have specific examples they can provide to support these claims then please get in touch with Professional Passport."

Professional Passport has written to Phil Woolas requesting a meeting on this, and other issues, and at the time of writing we were still awaiting a response.

Contractor Forums

Following feedback from members we are commencing our planning of a series of Contractor Forums in 2010.

The forums are designed to be informal events allowing contractors the opportunity to discuss issues and concerns as well as providing valuable networking opportunities.

Each forum will have a main feature presentation followed by an open question and answer session lasting no more than 1.5 hours in total.

If you are interested in attending and want to ensure you receive your personal invite please **register here**.

Our Members Telephone Helpline

Professional members have access to our members telephone helpline service.

This provides direct access to a range of experts that are able to discuss and assist with most of the issues faced by contractors.

One member recently described the service as the best value telephone support line on the market today.

With professional membership costing just £40.00 (+VAT) for the year we would have to agree with that assessment.

Following a call to the helpline we were able to successfully assist another contractor overcome a contractual dispute; saving them over £14,000 in the process.

Access is available throughout your membership year and we encourage all our professional members to make full use of this valuable service.

You will find full details of how to access the service in your members folder as soon as you become a professional member.

The telephone helpline is a standard call rate line and normal call charges apply - we do not use premium rates.

You can upgrade your membership here.

Confused? Need to talk to a real person?

Upgrade to Professional Membership and get a years access to our members telephone helpline where you can discuss any issues with one of the experts.

Concerned about sending sensitive documents to your agency?

Our electronic ID validation provides a portable certificate accepted by many agencies and removes the need to send your sensitive documents. This is free for our Professional Members.

Useful Links

www.hmrc.gov.uk

www.icaew.co.uk

www.lawsociety.org.uk

www.shout99.com

www.contracteye.co.uk

The Contractors' Opinion Poll

Thanks to all of you who completed the Contractors' Opinion Poll; which is now closed.

We are currently analysing the responses and will be reporting conclusions in our future newsletters.

Professional Passport invests considerable time in attempting to find real solutions to the problems raised and concerns of contractors. We work closely with many Government Departments, representative bodies and organisations in an attempt to influence thinking and discover workable solutions to the issues.

The survey responses would suggest that there is a lot of work to be done and we can assure our members we will be working hard throughout 2010 to discover more solutions to the issues you have raised.

A Happy and Prosperous New Year

We wish all our members and readers a happy and prosperous 2010.

Professional Passport on LinkedIn

Don't forget to join The Professional Passport Network on LinkedIn.com. This will make it easier for you to keep up to date with the latest news and topical issues affecting the UK contracting market.

Join The Professional Passport Network Now