# UKVI Innovator & Start-up Legacy Endorsee Support Package

Version 2.0 July 2023

**Background**

UK Visa and Immigration closed the Tier 1 Innovator and Start-up Visa route on the 13 April 2023 replacing these visa categories with the Innovator Founder visa. This change also included the replacement of the existing Endorsing Bodies with three new national Endorsement Body concessions. As of 13 April 2023, endorsing bodies who endorsed individuals on the Start-up and Innovator visa routes became Legacy Endorsing Bodies. All Legacy Endorsing Bodies, including Blue Orchid Enterprise Solutions Ltd, retain the responsibility to monitor those whom they endorse.

In addition to maintaining the monitoring of their existing endorsement clients legacy Endorsing Bodies can undertake the following:

* Issue Innovator Founder endorsements for those already previously endorsed in the Start-up or Innovator visa routes prior to the 13th April 2023 who are
  + Switching from Start up to Innovator Founder
  + Extending Innovator leave
  + Settlement applications

**Assessment** **criteria**

As you approach the end of your existing visa you should review the appropriate UKVI Guidance published online and determine which of the progression routes is most suitable for you.

Should you intend to apply for an Innovator Founder Visa for the same business or Settlement application then Blue Orchid as your legacy endorsement body can support you. If you intend to apply for an Innovator Founder Visa for a new business you should approach one of the 3 new Endorsing Bodies for assessment. We would recommend UK Endorsing Services ([www.ukesapp.co.uk](http://www.ukesapp.co.uk)) of which Blue Orchid is a partner.

If you intend to submit an application based on the continuation of your existing business, you must ensure that your businesses progress and growth during your current visa both meets the requirements set out and that you are able to evidence this achievement.

When applying for Settlement you must ensure that you can demonstrate achievement of the following,

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When applying for an Innovator Founder Visa using the same business you must ensure that you can demonstrate achievement of the following,

* That your business has made significant progress against its endorsed business plan including against the growth, financial and recruitment forecasts. This would include demonstration of assets, income, contracts with suppliers, staff employment contracts.
* Developed significant innovation within the business, this would ideally be demonstrated through registering of patents and intellectual property, development of new the market products and services etc.
* That you can demonstrate an active key role in the day-to-day management and development of the business. Ideally this would be through the payment of a suitable salary or dividends to show renumeration for your time within the business. If this is not available, you would have to be able to demonstrate what you have worked on and achieved within the business through your visa period.

**Innovation**

It should be noted that throughout the operation of the Tier 1 Innovator & Start-up Scheme the Home Office has reviewed and strengthened its interpretation of innovation. This has led to a greater focus on ensuring that the innovation being developed is at the very core of the business and is not merely incidental to the operation of a business model, e.g., the development of mobile app or machine learning algorithm to an existing business model; that the innovation cannot be easily copied or replicated by an existing businesses, and; that the innovation element or technology is wholly owned and largely developed by the applicant and not wholly outsourced to a technology development partner.

Whist we understand that in the development of a business from initial idea to conception and launch there can be significant changes to both the products and services being offered and the method of development which could impact on your ability to meet the definition of innovation set by the Home Office, the Innovator scheme is focused on the ‘in-house’ development of innovative products, services, and technologies. Therefore, failure to demonstrate this will likely lead to a refusal of the visa application. As such we will review all innovation in detail and are unlikely to progress any application that cannot demonstrate this.

**Businesses with Multiple Owners**

As in the previous scheme businesses with multiple owners are able to apply for the Innovator Founder visa or Settlement however it should be noted that,

* Whilst there is not firm threshold in place from the Home Office our experience is that applicants whose shareholding in the business is less than 15% are unlikely to deemed integral to the business operation (unless this can be shown to be as a result of specific business requirements e.g., Series A and B investment rounds)
* Applicants whose business ownership team includes shareholders who are also owners of multiple businesses with partners in receipt of Innovator/Start-up visas.

**Trading**

It is a requirement that to progress from an existing visa you must be able to demonstrate that your business is currently trading and has been doing so for a sufficient period of time to assess its viability.

In practice this means that your business should be able to provide evidence of purchases and sales being made by your business for example, purchase orders, invoices, bank payments, etc. This income and costs should also be reflected within your business account. In addition, the turnover shown within your accounts should demonstrate that your business is progressing in-line with the projections provided in your original application and support the requirement that the business will continue to be viable. Your business will also have to demonstrate there has been significant progression since starting both as a trading entity but also financially, that it can demonstrate clear sustainability and viability as well as there being an innovation element to the business that is helping it move forward.

We have encountered a number of endorsees who have during the development and early stages of their business self-funded all development and running costs directly. This should be avoided as it results in your having little or no meaningful evidence that your business is trading. The preferred mechanism in this situation is for founders to provide a Directors Loan to the business and for all development and pre-revenue expenditure e.g., equipment, consumables, etc, to then be purchased by the company. If at the end of your visa your business accounts do not show the expected level of transactions being undertaken by the business, it is likely the Home Office would conclude that the business is not trading.

**Please Note:** Where there is a significant underachievement against the financial forecasts in your initial endorsement, we would expect to see evidence of a minimum turnover/sales orders of £85,000 for those with a Start-up visa and £150,000 for those on an Innovator visa by the end of your initial visa period in order to progress your application for a further endorsement.

**Founders Contribution / Work for the business**

We understand that business founders often take no renumeration during the early stages of their business development or take minimal dividend payments in lieu of salary. Whilst this is a common practice it can result in a lack of evidence to support the applicant’s case that they have worked on the business full time during the visa period.

If you are not intending to take renumeration through a salaried position within your business then we would encourage you to consider how you will be able to evidence your activity within the business, this is especially the case if you have co-owners or staff, or significant elements of product development have been outsourced. In these cases, we would encourage founders to consider maintaining timesheets or diaries or producing regular internal memos or board minutes which report on progress/milestones achieved as a direct result of your work.

**Legacy Endorsement Support Service**

Given the strict requirements around demonstrating the successful progress of a previously endorsed business we have developed a support package aimed at ensuring our existing clients have the best possible likelihood of a positive outcome of Home Office review and that where this is not likely they are informed at the earliest possible opportunity.

Our legacy application process follows the following steps.

Initial application form

This will include information on achievements to date against the original business plan, business financial information, sales growth, Innovation development etc.

Decision to Progress

We will advise you of our view of your potential for a successful application. If we do not feel that you are likely to succeed, we would advise you to make alternative arrangements.

Acceptance on Legacy Support Programme

Legacy Support Programme

1. Initial 1-2-1 Meeting to provide feedback on application info, review progress against initial business plan/forecasts, discuss areas of concern, advise on content of updated business plan, etc.
2. 1-2-1 Feedback and mentoring following submission of first draft of updated business plan, 3-year financial projections, milestones and goals, evidence of Innovation & IP protection, copies of any business rental or lease agreements in the business name, copies of any contracts of employment, Screenshot of any job vacancies you have previously or currently posting, copies of any contracts/agreements with suppliers central to your business progress.
3. Review of the final business plan, financials and supporting information, 1-2-1 meeting to discuss any feedback ensure the client can professionally present progress and achievements of their business.

Assessment for Innovator Founder or Settlement endorsement

APPROVE

REJECT

Endorsement Approval including Endorsement letter

Endorsement Rejection – written assessment providing rationale for decision

**Cost & Payment Terms**

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| Stage | Content | Cost |
| 1: Initial Review | Review of application form & supporting document; determination of businesses ongoing fit with UKVI criteria | £ 0.00 |
| 2: Business Plan Review, Assessment & Feedback | Business Mentoring & Coaching support for the preparation of a full application materials including updated business plan, including 1-2-1 sessions with business advisor. | £ 2,500 |
| 3. Endorsement Assessment | | £0.00 |
| 4. Issue of Endorsement Letter to successful applicants | | £ 0.00 |
| VAT @ 20% | | £500 |
| Programme Cost Total | | £ 3,000 |

**Innovation Founder / Settlement Review**

**(Same business as previous endorsement)**

**Application Form**

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| **Section 1: General Demographics** | | | | |
| **Applicant Name** |  | | | |
| **Applicants Nationality:** |  | | | |
| **Contact Number:** |  | | | |
| **Contact Email address:** |  | | | |
| **Applicant Business Name:** |  | | | |
| **Business registered Address and postcode:** |  | | | |
| **Business Trading Address** *if different from registered address* |  | | | |
| **Business Start Date:** |  | | | |
| **Provide a brief summary *(less than 200 words)* of what your business does:** |  | | | |
| **Business Sector you operate under:** |  | | | |
| **Business website:** |  | | | |
| **Business Social Media links – provide all that apply**  ***Facebook, Twitter, LinkedIn etc*** |  | | | |
| **Other than yourself, how many people do you employ?** |  | | | |
| **How many people do you intend on employing in the next 3 months?** |  | | | |
| **Section 2a: Business Progress** | | | | |
| **Company Registration Number:** |  | | | |
| **Company VAT number – if registered** |  | | | |
| **What was your Turnover in your last published accounts?** |  | | | |
| **What was your pre-tax Net Profit in your last published accounts?** |  | | | |
| **Please list all countries with which you have financial dealings** |  | | | |
| **Do you run a cash business?** |  | | | |
| **Do you hold client’s money?** |  | | | |
| **Please state if your business involved in any of the following:**  Crypto-assets, Letting agents, Arms, Tobacco, Protected species, Art market, Oil, Precious metals, Ivory, None of the above |  | | | |
| **Please indicate the locations and principle activities of your main customers and suppliers** |  | | | |
| **Please indicate the key sources of your funds/sources of wealth** |  | | | |
| **Current Visa Approval date:** |  | | | |
| **Current Visa End Date:** |  | | | |
| **Do you have a business partner(s) who are also applying for a visa for this business?**  ***If answered yes, please complete the following questions:*** | **Yes** |  | **No** |  |
| **Name(s) of all business partners applying for a visa for this business idea:** |  | | | |
| **Your percentage shareholding in the business** |  | | | |
| **Percentage shareholding of business partner(s) also applying for a visa for this business idea** |  | | | |
| **Endorsing Body who assessed your previous Visa(s):** |  | | | |

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| **Section 2b: Business Progress – Milestones** | | |
| **Please list your progress towards or reasons for not meeting the milestones set out in your original business plan**  **(add rows if required)** | | |
| **EXAMPLE** | | |
| ***Milestone*** | ***Date Achieved*** | ***How was this milestone met / If not met why?*** |
| ***Company Incorporated*** | ***22/04/2021*** | ***Company registered with Companies House*** |
| ***Finalizing product specifications*** | ***13/09/2021*** | ***Delays in research informing specifications resulted 1 month delay to finalising specification*** |
| ***Completing product design and prototype*** | ***31/6/2022*** | ***Difficulty in securing a manufacturer of product housing has resulted in significant delay.*** |
| ***Demonstrate MVP prototype to investors*** | ***Not met*** | ***Manufacturing delay of prototype. Investor demonstration scheduled for 29/06/2023*** |
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| **Milestone** | **Date Achieved** | **How was this milestone met / If not met why?** |
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| **Section 2c: Business Progress – Innovation** |
| **Please list outline your progress in developing the innovation-led products/services in your business.**  **(include any patents or other intellectual property protections you have been granted or applied for)** |
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| **Section 3: Supporting evidence checklist.**  Please ensure you have emailed the following documents as well as the attached questionnaire. Please note, your application is unlikely to be processed if we don’t have the following information. | | |
| **Same Business as previous Endorsement** | *This type of endorsement is for those who have had leave in either the Start-up or Innovator categories and are continuing as a founder pursuing an endorsed business venture that was assessed in their previous endorsement that led to that grant of leave, or at a contact point with their endorsing body during that grant of leave* | |
| **Documents Required:** | | **Y/N** |
| A photograph of you holding your passport clearly | |  |
| A second Proof of I.D | |  |
| Proof of address less than 3 months old: i.e., utility bill/bank statement etc | |  |
| Companies House Incorporate Certificate | |  |
| If trading less than 2 years, Bank Statements covering business for the last two year or less | |  |
| Minimum 10 invoices with corresponding transactions on the bank statement | |  |
| Current and previous year financial report or audited annual accounts along with CT600 with the name of the accountant clearly shown. | |  |
| Accountant's letter confirming Company's Accounts and CT600 are correct, the company has been trading and is going concern and founder's investments. The accountant must hold a practising license from an accredited accounting body such as the:  - Chartered Institute of Management Accountants (CIMA)  - Chartered Institute of Public Finance and Accountancy (CIPFA)  - Association of Chartered Certified Accountants (ACCA)  - Association of Consulting Actuaries (ACA | |  |
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| A copy of your accountant’s valid licence to practise or practising certificate showing they are a member of a recognised UK supervisory body. | |  |
| Original Business plan & Financial profiles | |  |
| *PLEASE NOTE: We understand that in some cases it will not be possible to provide all of these documents, therefore we will consider alternative methods of demonstrating the activity/progress made. However, we will not be able to undertake assessments of progress based purely on the assertions of an applicant* | | |

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| **NEXT STEPS** |
| **Please return this completed questionnaire and all of your supporting evidence to:** [**tier1@blueorchid.co.uk**](mailto:tier1@blueorchid.co.uk)  **Once received, Blue Orchid will:**   1. **Check your documents have been submitted correctly.** 2. **Carry out an initial assessment based on the information submitted** 3. **If approved, we will contact you to inform you of your acceptance on the Legacy Support Service & provide you a payment link** 4. **You will then be contacted by your assigned advisor to arrange your initial 1-2-1 session** |