

**START-UP VISA (TIER 1) 2019**  
**Frequently Asked Questions**



## **ABOUT THE START-UP VISA SCHEME**

### **What is the Start-up Visa and what does it allow?**

The Start-up Visa is a new scheme that enables entrepreneurial individuals from countries outside the UK or EU to establish, or take over, one of more businesses in the UK for the first time. Without this visa, this is not permitted. The visa is valid for 24 months, with the option to transfer onto the Innovator Visa scheme after this time.

### **How is it different to the Graduate Entrepreneur Visa?**

The Graduate Entrepreneur Visa was for the same purpose, but was only open to overseas graduates of UK universities from countries outside the UK or EU. Anyone can apply for a Start-up Visa, but Lancaster University will continue to limit its endorsements to its graduates, unless there is a strategic case for endorsing an unaffiliated applicant; e.g. the business would be based in Lancashire and/or contribute to the University's research impact agenda.

The main practical difference between the schemes is that the Start-up Visa grants the recipient 24 months leave from the outset, whereas the GE Visa granted the recipient 12 months leave with the potential to extend for a further 12 months. Also, the recipient need only undertake progress assessment meetings every six months rather than every quarter.

### **Do I still have to be a graduate, or can I start a business as student?**

While you are still a student, you are still subject to the terms of your General Study Visa (Tier 4), which expressly prohibits start-up and business activity (see section below). You therefore must wait until you are no longer a student to apply.

### **Can I still apply for the Graduate Entrepreneur Visa?**

The Graduate Entrepreneur Visa scheme will remain open until 4<sup>th</sup> April 2019; however, Lancaster University will not process any new applications until the Start-up Visa scheme officially launches on 5<sup>th</sup> April 2019. All new applications will follow the terms of the new scheme.

### **What if I already have a Graduate Entrepreneur Visa?**

You will remain within this scheme and continue to adhere to the original terms. This includes applying for re-endorsement at the end of 12 months and undertaking quarterly progress assessment meetings until your visa expires.

## ABOUT THE SCHEME AT LANCASTER UNIVERSITY

### Why does Lancaster University offer this scheme?

Lancaster University provides innovation and entrepreneurial learning opportunities that complement students' degree education and equip them to develop new sustainable solutions that respond to commercial opportunities and tackle to social and environmental challenges. We recognize the value our graduate entrepreneurs can add to the regional and national economy and to society through these ventures and the Start-up Visa scheme ensures that our international graduates have the same opportunities to do this as their UK and EU peers.

### Who is eligible to apply for the scheme through Lancaster University?

The Lancaster University scheme is open to anyone who meets the following criteria:

- They are from outside the European Economic Area and Switzerland (i.e. they had to have a Tier 4 visa to allow them to study at Lancaster)
- They were awarded their degree from Lancaster University within the last 12 months, or the proposed business would directly contribute to Lancaster University's strategic aims and objectives.
- Their business idea meets the three key criteria stipulated by the Home Office (see below), and reflects the value added by their education at Lancaster and furthers our institutional strategic aims.
- They have not previously started a business in the UK.

### What are the three key criteria?

All endorsement applications must be able to demonstrate:

- **Innovation:** Is there a genuine business plan that meets new or existing market needs and/or creates a competitive advantage?
- **Viability:** Does the applicant have the necessary skills, knowledge, experience and market awareness to successfully run the business?
- **Scalability:** Is there evidence of structured planning and of potential for job creation and growth into national and international markets?

### Is there a limit to the number of visas available?

The University has an initial quota of 20 Start-up Visa endorsements that it can make every year. Once this quota has been reached, the University can make requests for additional endorsements on a case-by-case basis, but the success of the request is not guaranteed. If there are no available endorsements remaining, we will make this clear on the website and remove the option to download the application form.

## **ABOUT THE LANCASTER APPLICATION PROCESS**

### **How do I apply for the Visa?**

A full specification of pre-application considerations will be published by the Home office when the scheme goes live. For the time being, the original detail of the Graduate Entrepreneur Visa scheme is provided [here](#).

In broad terms, you will make your application directly to the Home Office, but you will first need a Letter of Endorsement from Lancaster University. This demonstrates that you have met all the eligibility requirements to our satisfaction. In order for us to ascertain this, you will need to produce a Business Plan which will be assessed for desirability, feasibility, viability and scalability. The University Enterprise Team can provide guidance on producing this (see below).

### **When can I apply?**

You can apply for the visa from within the UK any time from the completion of your course and the expiry of your General Student Visa (Tier 4), providing you can show access to the maintenance funds for 90 days prior to the application date. Your course is considered to be complete when your Exam Board issues confirmation of your results. This differs from course to course so please contact your department to identify when this is likely to be.

Please note that the recent extension of study visas to enable students to remain in the UK for six months not four months after graduation will only effect students beginning their degrees in academic year 2019-20.

If you are not able to apply whilst still in the UK, or do not wish to, you can apply from your home country any time within 12 months of your degree being awarded.

### **Can I apply outside this period?**

If there are any visas still available at the time of your application, you can submit an Initial Application for consideration. However, these applications will only be considered if there is a clear strategic benefit to the University, e.g. the business would contribute to the University's research impact or regional economic development agendas.

### **Is there a difference between applying from the UK or my home country?**

The process is the same but please be mindful that if you are not based in Lancaster and so not able to engage in the business planning support provided, or have not done so before leaving, your application may be made at greater risk.

Furthermore, the cost of the visa, and the amount of money you will need to demonstrate access to prior to application, are both higher if you apply from your home country. Please read Appendices 1 and 2 below for full details of the costs and time implications of where you apply from.

**Can two or more people apply for the scheme together with the same business plan?**

Yes. When you complete the Initial Application form, you will need to provide information about your co-founders so we can consider the applications together. If your co-founder is from another University, we will need to liaise with the Visa team at that institution and reach a joint decision about the endorsement.

If your application to secure an endorsement letter is successful, each applicant will be given a separate endorsement letter with his or her own unique endorsement number. When submitting your visa application, you should state that you have a business partner(s), noting their endorsement number in your visa application.

**Can my family come with me if I am successful?**

Your family members (dependants) will also have leave to be in the UK with you on this visa. Dependants are either your husband, wife or partner, and any children you have under the age of 18. See the table below for details of the costs for each dependant.

**ABOUT YOUR POTENTIAL BUSINESS**

**Does my business have to be based in Lancaster?**

No, but in order to be eligible to receive business support via the University and its partners, your business will need to be registered in Lancashire. This does not prevent you from living and working elsewhere, but you will need to provide a clear rationale for where you do plan to operate your business from when you apply.

**Can I set up any kind of business?**

Yes. You can be self-employed individually or in a partnership, or form a company, social enterprise or charity. All business activities are eligible except for property development or property management. The University reserves the right to reject without contest applications where the business activity or business model is deemed to be unlawful, unethical or in conflict with its values.

### **Can I take over an existing business?**

No, the new guidance specifies the business must be new, i.e. you are being endorsed to establish it. You also can no longer take on a franchise as this would be neither new nor innovative, assuming the franchise was already established.

If you are a business owner in your home country, or if you are a member of a family business, please let us know and we can contact the Visa & Immigration Team for further guidance with regard to your personal circumstances.

### **Does the University take a stake in my business?**

Unless you are an existing staff member or researcher who has assigned your IP to us already, then no.

If this applies to you, then you will be subject to the terms of the institutional IP policies and terms of licensing agreements. We can connect you with the right person to speak to to find out more about these.

## **ABOUT INTERFACES WITH OTHER VISA SCHEMES**

### **Can I start a UK business while I am studying on a General Study Visa (Tier 4)?**

While you are still a student, you cannot be self-employed or engaging in business activity without being in breach of the terms of your study visa. Engaging in business activity is defined in the Tier 4 policy guidance document as follows:

318. You will be considered to be engaging in business activity where you are working for a business in which you have a financial or other significant beneficial interest in a capacity other than as an employee.

319. This would include the following:

- setting up a business as a sole trader or under a partnership arrangement and that business is either trading or establishing a trading presence;
- being employed by a company in which you hold shares of 10% or more (including where the shares are held in a trust for you); or
- working for a company where you also hold a statutory role, such as a director.

This is not an exhaustive list but provides examples of the types of activities that would be considered to be in breach of the terms of your study visa. Under no circumstances should you register a UK business or register yourself as self-employed in the UK whilst on a study visa.

The University takes these matters very seriously and is obliged to report all breaches of these terms to the Home Office. This may result in you having your study visa withdrawn and with it the right to remain at Lancaster as a student, even if you have paid your fees.

**I am not ready to graduate yet but I know I will want to start a business when I graduate; is there nothing I can do?**

If you are keen to develop your business idea while you study, you can engage in the activities available via the University's Enterprise Team at Work in Progress who will support you to validate your business idea without being in breach.

This may include undertaking small-scale user testing of a prototype such as giving a product you have developed to a group of test customers for free to see if the concept works. You cannot receive any financial gain from any user testing unless you have submitted your application for your Start-up Visa.

Undertaking pre-start business validation activity outside the scope of the University's support offer is conducted at your own risk.

**I am currently in the UK on a General Work Visa (Tier 2); can I apply for this scheme?**

You can apply for the Start-up Visa as a Tier 2 visa holder, but you will need to leave the UK and make your application from your home country.

**I'm from Turkey; do I have to go through the Start-up Visa scheme to start a business in the UK?**

Possibly not. Please check out the [Turkish Business Person](#) scheme to see if you are eligible for that first.

**ABOUT THE DECISION-MAKING PROCESS**

**What happens after I submit my Initial Application form?**

The University will undertake a due diligence exercise which will confirm your eligibility to apply, your acceptance of the outline terms and conditions, whether you have any outstanding debt to the University, or any other factor that would prevent you from graduating (and therefore ineligible to apply).

If no issues arise here, we will assess your outline business proposal to identify whether it seeks to address a validated problem or opportunity, whether you have

adequately described your ability to deliver it, and whether there are any ethical or legal issues with what you are proposing.

If no issues arise here, we will allocate you a conditional endorsement and invite you to submit a Business Plan by a mutually agreed deadline.

### **What should the Business Plan contain, and how do I ensure I am ready?**

The Business Plan is a collection of documents which collectively ensure that you have adequately considered all aspects of what you plan to do, why, how, when, who with, etc, accompanied by financial projections which will include your costs and revenues over time, and an anticipated break-even point.

We will provide you with a preferred structure for your Business Plan documents, as well as suggested resources to draw on to produce each component. As part of this, we will expect you to commit to participating in core University-led start-up support activities, including:

- Pre-start business model validation, to ensure you have adequately established your product/service-market fit and addressed any fundamentally risky assumptions in your wider business model;
- Pre-start business registration advice, to ensure you are aware of your legal obligations, etc, as a new business owner, and of the support opportunities available to you via the University and its partners.
- Post-start financial model validation, to ensure that you have a clear timeline for achieving sustainability and generating sufficient revenues to earn a living from your business.

Your commitment to participation in these activities de-risks our decision to offer you an endorsement, increases your likelihood of a positive response from the assessors (see below), and increases the likelihood of your new venture being as successful in reality as it is in your Business Plan.

### **What other support is available to prepare it?**

Lancaster University Enterprise Team runs a range of additional activities aimed at supporting personal development for entrepreneurs, their ideas and their business models. These include:

- Networking opportunities to find business partners, collaborators and those with skills to complement your own.
- Presentations and 1-2-1 interactions to learn from those who have already undertaken entrepreneurial journeys and/or have insights into specific industries, sectors and business models.
- Workshops and seminars to acquire and develop a range of skills, tools and techniques that you will need to successfully create value through your new venture and beyond.

You may also be eligible to access funding to cover pre-start R&D costs where available and appropriate, and seed funding once your business is registered.

### **What happens after I submit my Business Plan?**

The Enterprise Team will identify one or more independent assessors who have no stake in your success and no involvement in the production of your plan. They will assess your plan against a set of criteria and come back with a recommendation to endorse or not, as well as some feedback on how to develop your plan in some way.

The Enterprise Team will review all the assessors' recommendations and feedback and communicate a decision to you.

### **Can I reapply if I am not successful?**

If you are applying from the UK and are not successful, it is likely to be because we do not consider it realistic for you to address the weaknesses in the plan within the time you are able to remain in the UK. Unless stated at the time of the decision, we will accept another application from your home country, but we will expect to see that the feedback has been adequately addressed.

If you are applying from your home country and are not successful, we will not accept another application for the same concept. We may accept a subsequent application for a different concept, if there is a clear strategic benefit to the University, e.g. the business would contribute to the University's research impact or regional economic development agendas.

## **ABOUT SUCCESSFUL APPLICATIONS**

### **What happens if I am successful?**

We will pass an endorsement recommendation on to the Visa & Immigration Team who will prepare your Letter of Endorsement.

You will have 3 months from the date stated on this letter to submit your visa application to the Home Office. If you fail to submit your application within this period, the endorsement letter will no longer be valid, and you will be required to submit a new application to be considered again for a further endorsement. We do not guarantee that you will be provided with this further endorsement.

### **When can I register my business?**

Once you have submitted your visa application, you are entitled to register a business in the UK. However, this will be done at risk as there may be other reasons for the Home Office to reject your application. If this happens, it could have serious

implications for your finances and your business if you have already started to take orders, deal with clients, invest in the business, etc.

Whenever you consider you are ready to register the business, you should contact the Enterprise Team so we can ensure that you can register at an address that will ensure your eligibility for business support.

### **How long does it take to receive my visa?**

A decision will be made on your visa application within 8 weeks. In some cases, it may take longer than this and UKVI will contact you directly.

### **Will I be monitored whilst I am on this visa?**

Yes, and this is a key condition of the terms of the visa. You must attend a progress assessment meeting with a representative of the University every six months. You must also ensure our records of your contact details and current address up to date at all times. You will also be required to adhere to the terms and conditions attached to the visa as set out by UKVI.

Failure to maintain contact with the University will result in you being reported to UKVI as failing to maintain contact, meaning your visa may be curtailed and you and any dependants will be required to return to your home country.

### **What happens when my Visa arrives?**

You must notify the Visa & Immigration Team so we can arrange for you to visit Lancaster to take an official scan of your BRP (Biometric Residence Permit) and reconfirm your acceptance of your compliance obligations. You will also meet with a member of the Enterprise Team to agree the dates of your progress assessment meetings and the package of ongoing business support.

### **Do I have to attend progress assessment meetings in person?**

You must attend the initial meeting in person in Lancaster, with all of your business partners, and also the last one before the expiry of your visa. For other meetings, personal attendance is preferred as this enables a more insightful analysis of your progress and ongoing compliance with the terms of the visa.

However, if you are based some considerable distance away from Lancaster and attending would be excessively costly or disruptive to your business operations, we

can potentially conduct the meeting via Skype, FaceTime or similar. A telephone conversation would not typically be considered adequate.

**Can I reclaim expenses incurred in attending Quarterly Review Meetings from the University?**

No, these should be considered as business expenses and accounted for in your financial plans.

**Can I work whilst on this visa?**

It is recognised that very few new businesses begin generating adequate revenues to survive immediately and so this visa allows you to be employed in the meantime. There is no restriction on the number of hours you may work per week; however, you must be spending majority of your time working on developing your business venture(s).

Your employment activities and the time commitment implications will fall within scope of your progress assessment meetings (see below). We would advise you to seek only part-time or business-relevant employment while on this visa.

**What happens after the visa expires?**

Your visa is valid for 24, at which point you will have the option to apply to transfer to the Innovator Visa.

You may also have the option of switching into one of the following categories:

- Exceptional Talent (Tier 1)
- General Work Visa (Tier 2)
- Minister of Religion (Tier 2)
- Sportsperson (Tier 2)

**Does time spent on the Start-up Visa contribute to my right to remain?**

No.

**Can you withdraw my visa at any time?**

The University may withdraw endorsement from you at any time, which will result in your visa being curtailed by UKVI. You will be expected to agree to terms and conditions in order to be issued an endorsement. An endorsement will be withdrawn if:

- a. You are deemed to be in breach of the terms of the visa as set out by UKVI and those in the application form, e.g. not committing adequate time and attention to delivering the plan that you were endorsed to deliver.
- b. You are so far behind your planned progress at any given point that it is clear that the situation is unrecoverable.

**I think I’ve understood everything and still want to apply. What now?**

Complete the Initial Application form on the Work in Progress website.

**APPENDIX 1 – APPLICATION FEE & NHS SURCHARGE (GRADUATE ENTREPRENEUR VISA)**

Who you’re applying for	Apply (outside the UK)	Extend or switch by post in the UK
Yourself	£363	£493
If you’re a citizen of Turkey or Macedonia	£308	£438
All dependants	£363 each dependant	£493 each dependant

You will also need to pay the NHS surcharge: <https://www.gov.uk/healthcare-immigration-application/how-much-pay>. Dependants usually need to pay the same amount as you.

**APPENDIX 2 – MAINTENANCE FUNDS (GRADUATE ENTERPRENEUR VISA)**

You need to show that you have adequate funds to survive immediately upon arrival in the country, and will be asked to provide bank statements with your bank balance as evidence when you apply. Most importantly, **the funds must have been in your account for no less than 90 days prior to your application.**

Who you’re applying for	Apply (outside the UK)	Extend or switch by post in the UK
Yourself	£1890	£945

Who you're applying for	Apply (outside the UK)	Extend or switch by post in the UK
If you're a citizen of Turkey or Macedonia	£1890	£945
All dependants	£1260 for each dependant	£630 for each dependant (if you have been in the UK for more than 12 months) £1260 for each dependant (if you have been in the UK for less than 12 months)

**If I am applying with a business partner, can the maintenance funds be shown in a joint account?**

The required funds can be shown in a joint bank account, only if the visa applicant is named as an account holder. The account must also hold enough funds for each person applying.

**PLEASE NOTE: VERY IMPORTANT**

Please be mindful that the requirement to demonstrate your maintenance funds have been available for 90 days prior to application may affect the earliest date you can apply. If this date is after the expiry of your General Student Visa, you will have to leave the UK and apply from your home country, which will then mean you need to be able to demonstrate access to higher amount. If you only transfer the additional funds into your account at this point, your 90 days will start from then.

Please don't underestimate the number of people who have been caught out by this and plan accordingly!