

Immigration Bill

Factsheet: Fees (clauses 62-64)

Immigration Minister Mark Harper:

“People who need permission to visit the UK and those who want to live, work or study here must pay a fee. These funds enable us to run the immigration system without burdening the taxpayer. It is right that those who use and benefit directly from our services contribute to them.

“Visa fees are reviewed annually but the process is complex and time-consuming. We are amending the legislation so that fees can be set more easily in line with the government’s objectives and priorities and to ensure the UK continues to attract the brightest and best.”

Background

People who need to obtain a visa before coming to the UK, including those coming for work, to visit or to study, have to pay a fee. Fees must also be paid by those applying to extend their stay in the UK or applying to become a British National as well as those sponsoring someone to come to the UK or applying for other immigration products or services.

Income from immigration and visa application fees helps to cover the cost of running the immigration system, and reduces the amount of funding required from general taxation.

We want to increase income from fees, to ensure that those who use and benefit directly from our services pay more towards them, while UK tax payers pay less. The current legislation is not sufficiently flexible to allow us to set fees in a way that supports wider government objectives and priorities, such as supporting growth.

Under the current arrangement fees are reviewed and updated annually. The complexity of the process, which involves making two or three new statutory instruments on each occasion, makes it difficult to change fees more than once a year. Existing fees legislation is currently spread across four separate Acts, which builds further complexity into the process to review and amend them.

The new provisions in the Immigration Bill will allow us to simplify and streamline this process, whilst at the same time ensuring proper parliamentary scrutiny, by allowing debate to take place on fee levels at the same time as the products and services they relate to.

What we are going to do

- Amend the criteria that may be considered when setting fees so that fees may be adjusted in line with the government's objectives and priorities.
- Simplify current processes for amending fees. New measures will allow for maximum fee amounts to be set for a number of fee categories, within a Fees Order.
- Set out specific fee levels in Fees Regulations, which will ensure that changes can be quickly made to fees where appropriate.
- Enable unnecessary or redundant fees to be removed from the framework as they are identified or as policy changes are made; and enable specific concessions to be introduced to improve customer service or support economic growth.

How we are going to do it

We will amend the criteria that may be considered when setting fees to:

- **Cost:** The full cost to the Home Office of processing applications.
- **Benefits:** The benefits that may accrue to the person making the application or buying an optional, premium service.
- **Economic growth:** Ensuring that fees are set at a level that supports the government's growth agenda.
- **International comparisons:** The fees charged by other countries for similar products. This will ensure the UK remains competitive in attracting the best and the brightest to the UK.
- **Reciprocal arrangements:** Agreements with other countries, to put in place mutually beneficial arrangements (for example, bilateral agreements to reduce UK visa fees in exchange for discounted visas for British citizens travelling abroad).

The new measures will replace rather than amend existing legislation. This will mean that all immigration fees measures are set out in a single Act of Parliament, rather than four, and that legislation on fees is much simpler to understand and more transparent. The legislation we will repeal is as follows:

- ss 51-52 of the Immigration, Asylum and Nationality Act 2006;
- s 42 of the Asylum & Immigration (Treatment of Claimants) Act 2004;
- s 26 of the Immigration and Asylum Act 1999;
- s 20 of UK Borders Act 2007 Act (amending section 42 of the 2004 Act).

Benefits

- The new framework will support the Home Office's charging strategy, ensuring the immigration system continues to be funded adequately, while also supporting wider government objectives. The Home Office will also be able to offer reductions in fees for routes that support economic growth.
- The new framework will enable fees to be altered more than once a year, providing greater flexibility and supporting economic growth measures.
- The new framework will also simplify internal processes, which will ensure that resources are better utilised, and make better use of Parliamentary time.
- The new measures will enable the Home Office to balance its funding requirements with the ability to do more to promote growth and offer more competitively priced visas in different markets.
- Flexibility in setting fees will also enable the Home Office to introduce new premium services in key markets at short notice.
- Parliamentary scrutiny will remain robust. Parliament will for the first time be able to debate fee categories and actual fees at the same time.

Next Steps

Whilst the Bill will improve our flexibility on charging fees, we need to hear views from our partners on how we ensure this new flexibility supports a charging framework that continues to fund the immigration system while promoting economic growth. We will consult on this in the autumn, to give an opportunity for people to give their views, and publish the responses on the Home Office website.

Q&A

Does this extend the Home Office's ability to charge fees for products?

No, the Home Office already has these powers. The intention is to clarify the criteria for setting fees and ensure there is more flexibility in the processes for changing fees. Fees would continue to be agreed across government, as now. The measures will simplify the current legislation, which is spread across a number of different Acts.

Why are you consulting after bringing forward legislation, rather than before?

The consultation we are running is not specifically on measures for the Bill, which are intended to simplify the current processes and legislative complexity and enable greater flexibility in how we set fees in future. We will use the outcome of the

consultation to help set our priorities for how we use this new flexibility to promote economic growth and fund the immigration system.

Is there a possibility that fees will rise several times a year?

It is not the Home Office's intention to increase specific fees several times a year. The flexibility the new framework will provide will allow individual fees to be adjusted to support growth in individual categories or to be removed altogether from legislation if they are no longer needed. The 'maximum' fee levels will be agreed by Parliament and the Home Office could not set fees above this amount without parliamentary approval. Within these parameters individual fees could be adjusted up and down but there is no intention to adjust all fees more than once a year as per the current process.

Further Reading

1. Impact Assessment: <https://www.gov.uk/government/publications/immigration-bill-part-6-miscellaneous>

**Home Office
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