This document is a response to the Consultation on Charging for Immigration and Visa Applications. Copies of both these documents are available in electronic format on the UK Border Agency website http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/consultations/closedconsultations/charging09/

January 2010
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On 9 September 2009 the UK Border Agency published the consultation paper on Charging for Immigration and Visa Applications. This document set out some options in relation to how we can continue to charge for our immigration and visa services and to reduce the financial burden on the public purse. We are now pleased to publish the formal Government response to the public consultation on charging.

The UK Border Agency was established in April 2008 and our purpose is to secure our borders and control migration for the benefit of our country. We will do this by delivering three strategic objectives:

- We will protect our border and our national interests
- We will tackle border tax fraud, smuggling and immigration crime
- We will implement fast and fair decisions

The new agency is equipped to protect our border in the 21st Century. We have a budget of more than £2bn and 25,000 staff, including more than 9,000 warranted customs and immigration officers. They work in local communities, at the border and in 135 countries around the world.

To maintain our world class immigration system currently costs over £2 billion per annum. We consider that those who benefit directly from our immigration system (including migrants, and those who act as sponsors under the Points Based System) should contribute to the costs of the system so that we can balance the interests of those who use our services, in terms of the price paid for consideration of their application, with the interests of the general UK taxpayer, who will continue to support the immigration system that brings benefits and enrichment to this country.

The consultation document was sent to interested organisations and key stakeholders (over 30,000 stakeholders). These included representative bodies, individual organisations and applicants from across the UK and overseas. The consultation document was also made publicly available on the UK Border Agency website.

A total of 98 replies were received during the 12 week consultation period. On behalf of the Government, we would like to thank all those who took the time to contribute to this important debate and give us their views on our proposals. We welcome dialogue with those who use the immigration system and remain committed to maintaining existing channels of communications, particularly with representative groups and taskforces.

We have listened to the views of those who responded to the consultation. There was broad support for the headline measures, but concerns were expressed on some of the supporting proposals. We have taken these comments on board, and they are reflected in this response.

Measures to take this forward are being included in the fees proposals being developed and due to be laid before Parliament in February 2010. We want to make sure that the charging system as a whole contributes towards the costs of running that system, and we intend to keep the system under review, especially given the current pressures on public finances.

In the following pages we set out our analysis of the responses received. We recognise the importance of maintaining public confidence in the system, in order that legal migrants are welcomed and able to
make a valuable contribution to boosting Britain’s economy and enriching the cultural and academic life of the UK. Through the improvements we have already implemented we are confident that we will deliver.

Phil Woolas MP
Minister of State for Borders and Immigration
Introduction

To maintain our world class immigration system currently costs over £2 billion per annum. We consider that those who benefit directly from our immigration system (including migrants, and those who act as sponsors under the Points Based System) should contribute to the costs of the system so that we can balance the interests of those who use our services, in terms of the price paid for consideration of their application, with the interests of the general UK taxpayer, who will continue to support the immigration system that brings benefits and enrichment to this country.

We set application fees on the basis of a number of factors, working within strict financial limits agreed with HM Treasury and Parliament. We have made carefully considered decisions to set some fees at or below the cost of delivery and some fees, such as the fee for British Citizenship above the cost of delivery, to reflect the value of the product.

We take into account a range of factors, to ensure that fees are fair to our customers, and that the UK Border Agency can continue to offer a world class level of service.

Our method of fee setting contributes to the revenue needed to fund other areas of the immigration system such as enforcement as well as to finance other necessary improvements to the immigration system. Recovering fees income in this way is increasingly important given the pressures on public finances.

We will continue to set application fees flexibly to both help fund the end to end costs of running the immigration system and to maintain our global position as a country that welcomes the contribution that legal migration can bring.
The Consultation Exercise & Stakeholder Engagement

We ran a public consultation exercise for 12 weeks from 9 September to 1 December 2009, supported by a consultation paper called “Consultation on Charging for Immigration and Visa Applications”. This document set out some options in relation to how we can continue to charge for our immigration and visa services and to reduce the financial burden on the public purse. We are now pleased to publish the formal Government response to the public consultation on charging.

The consultation exercise was aimed at key local, national and international stakeholders who have a contribution to make with regard to charging for our services. In particular, we were looking for responses from customers who use or will use the immigration system.

This consultation paper was made available on the UK Border Agency website and was sent electronically to over 30,000 stakeholders. Two further electronic reminders were sent to these stakeholders. We made the consultation document available at the 9 stakeholder events held by the Earned Citizenship consultation group. These were regional events across the UK and were aimed mainly at customers. We held a number of meetings with key stakeholder groups, particularly the taskforces – Joint Education Taskforce, Employers Taskforce, Arts & Entertainment Taskforce and Visa Services Directorate User Panel. These bodies continue to be an important and valuable forum for discussing immigration matters and we welcome their contributions on this issue. We placed hard copies of the consultation document at the 6 public enquiry offices across the UK. The consultation document was also distributed as an e-gram to posts and customers overseas.

A summary of the consultation responses and a list of the organisations that responded is included in this document at Annex A. The breakdown of respondents by category can also be seen in a graph. The breakdown is for ease of reference only and should not be seen an official means of classifying each organisation.
Context

The UK welcomes people from all over the world who come here for pleasure, to visit their families, and to do business. We need workers to fill skills gaps and migrant workers make an important contribution to the economy of this country. We also want to encourage students from all over the world to study in our world-class educational institutions. Visiting artists, entertainers and sportsmen and women enrich our cultural life.

To achieve this, we need to balance the interests of those who benefit directly from our immigration system (including migrants, and those who act as sponsors under the Points Based System), in terms of the price paid for consideration of their application with the interests of the general UK taxpayer, who will continue to support the immigration system that brings benefits and enrichment to this country.

To maintain our world class immigration system currently costs over £2 billion per annum. We believe it is right that those who use the system make an appropriate contribution to meeting these costs, to help manage the burden on the UK taxpayer. The purpose of consulting is to ensure that we’re getting that balance right in the broader interests of the UK and where necessary to change the amount we charge for certain/different types of application. We have also sought to test potential new ways of generating income with those people who may in future wish to use those services.

We set application fees based on a number of factors, working within strict financial limits agreed with HM Treasury and Parliament. We currently set some fees at or below the cost of delivering the services and some fees above the cost of delivery, to reflect the value of the product. Charging above the cost of delivery helps to raise the revenue required to fund the overall immigration system and cross-subsidise lower fees for certain immigration routes.

Our fees reflect the value of the products we offer and balance our international competitiveness with affordability to the UK Border Agency. When considering the services we charge for, we take into account the UK’s international competitiveness, at a challenging time for the global economy, in particular the pressure being felt by UK industry at this time due to currency fluctuations, and other external factors influencing the total cost of coming to the UK to work, study, visit or settle.

We want to continue to look to get best value from our operations both overseas and in the UK, and promote efficiency savings wherever possible, through the better use of technology and increased productivity.
Analysis of Consultation Responses

Methodology
The consultation document on our proposals for charging for immigration and visa services was made available on the website and ran for 12 weeks from 9 September 2009 until 1 December 2009 and covered the following areas:

1. General views on the flexible setting of fees to take into account wider factors
2. Earned citizenship
3. Differential pricing and premium services
4. Consultancy services and document verification
5. Access to information
6. Dependants
7. Charging for overstayers
8. Sponsorship under the points-based system
9. Certificates of sponsorship
10. Administrative review, reconsideration and appeal
11. Wider impacts and additional information

98 responses were submitted via an online form, by email or in hard copy.

Report structure
Information on respondents’ characteristics is presented in section 1 below (Analysis of respondents). This is followed in section 2 (Analysis by question) by levels of agreement and disagreement for each question, for those questions which invited respondents to indicate this using tick boxes. It should be noted that only respondents using the pro-forma for responses provided this indication of agreement or disagreement. Those responding via email did not provide this indication and therefore are not included in the counts.

Themes are also presented based on respondents’ open-ended comments. Where comments clearly relate to a specific question, they are reported alongside the quantitative analysis for that question. Where comments relate more generally to a section of the consultation, they have been aggregated and reported after the quantitative analysis for that section. Within each question or section, themes are presented loosely in order of how frequently they were mentioned, so themes presented first are those which were mentioned by the most respondents.

Where comments were made by a particular type of respondent, this is indicated in the text (e.g. applicant, university, refugee organisation).
Analysis

1. Analysis of respondents

Ninety eight responses were received up until 4 December 2009. 47 responses were submitted using a pro-forma (43 were typed and 4 handwritten) and 51 responses did not use the pro-forma (12 submitted via email and 39 in another format).

The following charts present a breakdown of respondents by organisation size, type, number of visa applications made per year, region and sector.

Organisation size

Base: all respondents = 98
Organisation type

![Bar chart showing Organisation type](chart1)

Base: all respondents = 98

Average number of applications made to the UKBA per year

![Bar chart showing Average number of applications](chart2)

Base: all respondents = 98
Region in which business is based

Base: all respondents = 98

Industrial sector of organisation

Base: all respondents = 98
2. Analysis by question

An overwhelming majority of respondents (over 90%) agreed that UK Border Agency should continue to set fees flexibly by taking into account wider policy objectives, such as attracting specific groups of migrants that are beneficial to the UK.

Some themes emerged repeatedly across many of the areas covered in the consultation. These themes focused on general principles that respondents felt should be central to UK Border Agency’s approach to charging for immigration and visa services.

UKBA should provide a consistent and good quality level of service in order to justify the charges set, for example as stated by CBI: “The services mentioned in the consultation document represent welcome innovation on the part of UKBA, but it is clear that they must offer genuine improvements in service if they are to be widely used by the business community.”

General views

Q1. Do you agree that we should continue to set fees flexibly by taking into account wider policy objectives such as attracting specific groups of migrants that are beneficial to the UK?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Don't know</th>
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<tr>
<td>Percentage</td>
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<td>4%</td>
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Base: number of respondents answering the question using the pro-forma = 50

An overwhelming majority of respondents (over 90%) agreed that UK Border Agency should continue to set fees flexibly by taking into account wider policy objectives, such as attracting specific groups of migrants that are beneficial to the UK. Recognition of the contribution that migrants make to the UK economy, and setting fees in such a way to maintain the UK’s ability to attract these migrants compared to other countries, were the main themes of the comments on this question, which were as follows:

Competitiveness of the UK in attracting groups of migrants, including:

Students

- Students and staff in the higher education sector.
- Fee levels must recognise that not all international students or academic staff are applying from developed nations.
- For international students applying with scholarships or loans, fee levels can serve as a disincentive to them should they not be set competitively.
- Students and academic staff make an important contribution to the UK economy and cultural life.
• Financial rewards for this group of migrants are often significantly less than others in the points-based system.

Skilled migrants
• Respondents felt that fee levels should not discourage the migration of skilled workers to the UK, in light of the benefit they bring to the UK in economic terms and in terms of meeting labour needs. A specific example was the recruitment of staff into the NHS.

Visitors/tourists
• Respondents including operators in the aviation industry expressed the view that fees should ensure that the UK remains competitive in attracting visitors and tourists.

Sportspeople and artists
• Setting of fee levels should take into account the likely effect on the mobility of artists, due to the international nature of their careers and their contribution to the cultural experience and knowledge of UK audiences.
• Reciprocity between countries was raised as an issue for artists: if fee levels made it more difficult for artists from overseas to come to the UK, other countries might become less willing to welcome artists from the UK.
• The importance of sportspeople to UK cultural life was also raised, with particular reference to upcoming international sporting events in the UK: the Olympic and Paralympic Games in 2012 and the 2014 Commonwealth Games.

Attracting migrants who intend to work
• Many respondents thought that by being able to set fees flexibly, the UK would be better able to attract those migrant workers who intend to work, especially those who will help plug any skill gaps, and therefore contribute to the UK economy.
• One stakeholder argued that being able to set fees flexibly would be a useful tool to attract particular migrants to the areas of the UK where they are needed and therefore help to maintain a vibrant labour market as a source of economic growth.

Fees should reflect the costs of processing an application
• Those that disagreed that fees should be set flexibly in line with wider policy objectives thought that fees should only be based on the cost of processing the application.
Earned Citizenship

Q2. Do you agree that fees for the different stages of the journey to citizenship should be set at different levels to reflect the different benefits provided at each stage?

There was a fairly even split between those in favour of setting fees at different levels to reflect the benefits provided at each stage of the journey to citizenship and those who chose ‘Don’t know’ (49% and 44% respectively). Comments on this question were as follows:

Benefits at different stages

- Respondents acknowledged that full citizenship represented greater benefits and value to migrants than the earlier stages (temporary residence or probationary citizenship), and that, because they are settled in the UK, migrants may be more able to afford a larger fee at this stage.
- One respondent commented that “citizenship should cost more because it is permanent and the applicant is already settled in the UK and can better afford the higher fees”.

Impact on choice for migrants

- It was pointed out that the journey to citizenship as proposed in the consultation document removes choice for the migrant, in that if a migrant is unable to extend their leave beyond five years they may have no alternative but to apply for probationary citizenship. As probationary citizens have only limited entitlements, they may have no option but to apply for British citizenship or permanent residence.
- Not all migrants will want to follow this route (for example, where the migrant’s country of origin does not permit dual nationality, and they wish to retain the nationality of that country).

Difference between new and old routes

- One stakeholder pointed out that the preferred option set out in the Impact Assessment of maintaining the same income for Settlement/Nationality as for Earned Citizenship fails to recognise the differences between the old and new routes. Probationary citizenship provides fewer benefits than Indefinite Leave to Remain and people with this status will be barred from recourse to many public funds.
Q3. Do you agree that when setting the fees for the different stages of the journey to citizenship the UK Border Agency should take into account wider factors?

![Poll](chart.png)

Base: number of respondents answering the question using the pro-forma = 39

Almost exactly half of respondents thought that wider factors should be taken into account when setting the fees for the different stages of the journey to citizenship. Comments given in response to this question are discussed along with those responding to question 4, below.

Q4. There are a number of factors that could be used to inform how much the fee for citizenship would cost. What factors, if any, do you think should be used to set this fee?

There was a range of comments around how wider factors might inform the level of the fee for citizenship. The most frequently mentioned were around the following themes:

**Affordability of fees to applicant**
- A lot of comments related to the affordability of fees to applicants, according to their different circumstances, for example country of origin and the route under which they are applying (for example, the ability to pay would be likely to be different for refugees than for skilled workers).
- Considerations in this area included:
  - Means testing or assessment of applicants' ability to pay.
  - Offering the option to pay in instalments.
  - Setting fees at a rate linked to the national income index of the country of origin.

**Value of the migrant to the UK**
- Many respondents felt that a factor that should be taken into consideration when setting fees was the value that migrants bring to the UK in terms of their contribution to the economy and society:
  - As workers helping to maintain an internationally competitive workforce.
  - As consumers of goods and services.
  - As taxpayers.
  - As academics bringing knowledge and intellectual capital, and students paying tuition fees (particularly noted by respondents from universities).
  - Increasing the UK's cultural diversity, interchange and learning.
- One respondent commented that if an applicant has made a special contribution to the UK while abroad, then they should receive preferential treatment (e.g. Ghurkas).

**Value of immigration to the applicant**
A number of respondents recognised that migration to the UK has considerable benefits for migrants, especially for those able to access higher wages or superior educational opportunities, and that therefore such applicants’ fees should be higher.

British Council commented that “although the UK will wish to attract investment and skills to this country, there should also be a premium for those who will profit personally or professionally by coming here”.

Citizenship, as opposed to earlier stages in the immigration process, allows access to many new benefits for migrants and the fees should reflect this.

**Link between fees and UKBA costs**

- It was argued that shorter term migrants who are not interested in long-term settlement in the UK should not subsidise the immigration system: “Migrants in the UK for shorter periods will have contributed by working and paying taxes; it is unfair that they should also pay extra immigration fees to go towards a status which they do not require”.

**Understanding the system (‘Keep it simple’)**

- Without reference to any specific wider factors, several respondents expressed concern about flexibility of system in terms of how it may be confusing for applicants.
- There were also comments that overall understanding of the system is low and that many changes are seen as arbitrary or unfair.
- Some respondents also commented that by simplifying the immigration system as a whole the UK Border Agency would be able to reduce the extra administrative costs.

**Refugees**

- Refugee representatives commented that given the unique situation of refugees being forced to migrate to the UK, fees should be lower for this group.

**Differential pricing and premium services**

**Q5. Do you agree that the UK Border Agency should set different fees for the same type of application?**

![Bar chart showing responses to Q5]

Base: number of respondents answering the question using the pro-forma = 49
Two thirds of respondents (59%) supported the proposal to set different fees for the same type of application. Comments for this section identified the following themes:

**Applicant’s ability to pay fee**
- Comments were split between the view that all fees should be the same, regardless of which country they apply from, while others called for the ability of the applicant to pay the fees (linked to their country of origin) to be taken into account.

**Keeping the system simple**
- Many respondents commented that the system is already too complicated and that by setting different fees for the same application the UK Border Agency risks being seen to be discriminatory.

**Type of application**
- **Students:** Several of the respondents from the education sector called for the same fee to be used across all Tier 4 applications on the basis of simplicity and fairness.
- **Refugees:** Two refugee agencies called for refugees to be exempt from immigration fees on the basis that they are forced migrants with a limited ability to pay for fees and in need of special support.

**Q6. For which of the following methods, if any, do you think we should offer different fee levels? Please tick all that apply**

<table>
<thead>
<tr>
<th>Option</th>
<th>Number of responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Method of application</td>
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</tr>
<tr>
<td>Methods of payment</td>
<td>16</td>
</tr>
<tr>
<td>Timing of application</td>
<td>22</td>
</tr>
<tr>
<td>Location of application</td>
<td>13</td>
</tr>
<tr>
<td>Other option</td>
<td>2</td>
</tr>
</tbody>
</table>

Base: number of respondents answering the question using the pro-forma = 33

Method of application was the most commonly ticked option on which to base different fee levels. Commons on the suggested methods for offering different fee levels were as follows:

**Method of application**
- Online applications were thought by the majority of respondents to merit a lower charge than other methods.
- However, it may be unfair to be charged more for postal applications to those without internet or computer access (for example in some developing countries, or in small companies).

**Location of application**
- In general there was a feeling amongst respondents that applicants’ country of origin should not be a factor in setting the fee because it was felt that this would discriminate against applicants from ‘high risk’ countries by discouraging their applications through higher costs.

**Methods of payment**
- Immigration Advisory Service commented: “If different payment methods increase the ability and speed of the UK Border Agency’s to process applications then this should be reflected in the fee levels, favouring such payment methods”.

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Timing of application

- Many respondents commented that those applicants submitting ‘last minute’ applications should be charged a higher fee.
- Several also commented that if the process of an application is delayed by a missed appointment, then the applicant should be charged extra.

Q7. Do you agree that we should set fees flexibly, setting fees for optional premium services at a higher level than equivalent standard applications, depending on the speed/tailoring/convenience of service received?

A clear majority (over three quarters) were in favour of charging higher fees for optional premium services. A large number of respondents stated however that this should not have any adverse impact on the quality of the ‘standard’ service. Comments were as follows:

Maintain quality of service

- UKBA should ensure that availability of a premium option does not lead to any decrease in the quality and speed of the standard service. The standard service should remain the ‘norm’ so that using the premium service is genuinely optional.
- Likewise, the premium service would have to be sufficiently faster than the standard service in order to justify the higher fee.

Advantages of a premium service

- Many respondents recognised the benefits of a premium service as providing a faster response, in particular for students who need a fast response in order to begin their courses on time, and for business delegations and luxury travel bookers who would be willing and able to pay extra.
- Options in terms of a premium service included a same-day service and a premium postal service.

Complexity of the system

- A concern for some respondents was that more flexible fees and different options could create a very complex system that users might find difficult to navigate.

Reflect the added cost to the UKBA
It was commonly acknowledged that a premium service would mean higher processing costs for the UK Border Agency, and therefore the fee charged for this premium service should be higher to reflect this.

CBI commented: “An expedited service – for those seeking to process applications in a hurry – would be useful for firms that need a visa as a priority, but the extra revenue raised should be used to pay for specific staff to deal with the applications”.

Consultancy services and document verification

Q8. Do you agree that we should charge for consultancy services provided to customers and third parties?

There was a fairly even split between respondents who supported a charge for consultancy services to customers and third parties, those who opposed it, and those who chose ‘don’t know’. Comments are discussed below with responses to question 9 on what types of consultancy should be charged for.

Q9. What types of consultancy and document verification services, if any, do you think the UK Border Agency should charge for?

Respondents commenting on charging for consultancy services and document verification expressed the need for more clarity and information as to what type of consultancy services the UKBA does or may in future provide. Other comments included:

Advice as ‘core business’

- The majority of respondents thought that providing advice and information on policy and services should be viewed as part of UK Border Agency’s ‘core business’.
- It was felt that advice given by UK Border Agency relating to changes to immigration and visa services should not be charged for.
- There was some support for the proposal of charging for speaking at conferences or delivering bespoke training.
- There was concern that charging for UK Border Agency’s consultancy services such as advice, training or attendance at conferences would discourage take-up of these services.
Quality of advice
- A number of respondents stated that any consultancy services provided by UK Border Agency, whether or not subject to a fee, should be of a high quality and delivered by knowledgeable professionals.

Telephone advice services
- There was particular mention of the telephone advice line, which it was felt should remain free of charge and should provide good quality advice.

Training and events
- The majority of respondents, notably university respondents, felt that a certain amount of training and the opportunity to attend training events would be useful and ultimately help applicants to submit applications more efficiently.
- Some respondents thought it would be a good source of revenue for UK Border Agency, including an employer body, who said, “This could be a valuable service for employers providing it is readily available and contains tailored training and a consistent and clear level of expert advice.” Universities UK said: “Universities have welcomed the willingness of UKBA staff to attend sector events and visit universities but this work should be viewed as core business for UKBA and not subject to additional charges.”

Document verification
- More respondents supported document verification as a service and should be optional to applicants, if it was to incur a charge.
- Support for charging for document verification was given on the grounds that it would reduce the number of applications that failed or were delayed due to errors on the part of the applicant.
- There was support for a service that would enable applicants to retain their original documents and instead have copies verified.

Access to information

Q10. Do you agree that the UK Border Agency should charge third parties to access the information we hold, within the confines of the Data Protection Act?

Base: number of respondents answering the question using the pro-forma = 44
There was a fairly even split amongst respondents in support for charging of third parties to access the data held by UKBA, though a large proportion (41%) did not know.

Comments fell into the following groups:

**Concern about data protection and data security**
- It was agreed by respondents that any access to information should comply with data protection requirements.

**Requests for information by government**
- It would not make sense to levy a fee for information required by other government departments or bodies to complete their own work effectively.
- One refugee agency commented on the importance of information being correct if it is to be shared with other government bodies, e.g. the police.

**Freedom of information requests**
- ILPA expressed their support for the current charging arrangements with regard to freedom of information: “We consider that the existing procedures for dealing with freedom of information requests provide for reasonable cost charges. To move to other fees would risk giving unequal access to information.”

**Information for the HE sector**
- Some of those responding on behalf of universities felt it would be useful to the HE sector to have access to information relevant to them; they stated that charging a fee for this would be reasonable.
- Specifically, university respondents commented that to know whether or not an applicant they are sponsoring has had their application rejected or not would be useful information.
- Universities also commented that disaggregated data broken down by type of student (university, independent school, college etc.) would also be useful.

**Q11. What type of fee, if any, do you think third parties should pay to access the information held by the UK Border Agency?**

<table>
<thead>
<tr>
<th>Option</th>
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</tr>
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<td>One-off subscription fee</td>
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</tr>
<tr>
<td>Fee for each information request</td>
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</tr>
<tr>
<td>Fee based on how much information is required</td>
<td>4</td>
</tr>
<tr>
<td>None of the above</td>
<td>13</td>
</tr>
</tbody>
</table>

Base: number of respondents answering the question using the pro-forma = 27
Dependants

Q12. Do you agree that each dependant applying for leave to remain in the UK should pay an additional, separate fee for their application in line with the practice overseas?

The majority of respondents were not in favour of charging an additional, separate fee for each dependent, with only a third in favour. The majority of comments on this question related to the cost burden this would place on applicants. Themes included:

The affordability of fees for dependant applications
- HE institutions were concerned that increasing the costs of bringing dependents to the UK would discourage many students and academic staff from coming to the UK, as they may have limited funds.

The cost of processing dependant applications
- Respondents felt that the charging of a separate fee should reflect the additional cost to the UK Border Agency of processing these applications.

The cost of dependants to the UK, and the value that they bring to the UK
- Whether a separate fee was justified was thought to depend on the cost that a dependent would represent, or value that they would bring, to the UK.
- It was commented that dependants often work and therefore make an economic contribution to the UK. But that access to benefits that migrating to the UK offers should also be reflected, by charging a higher dependents' fee.
Q13. Do you agree that migrants who come under the dependant relative route, and who are over the standard age of retirement, should pay more at the point of application?

![Bar chart showing the distribution of responses to Q13.]

Base: number of respondents answering the question using the pro-forma = 44

The majority of respondents did not support the proposal that migrants who come under the dependant relative route and who are over the standard age of retirement should pay more at the point of application. About a third (36%) said they did not agree and half chose ‘don’t know’.

The majority of comments on this question showed that respondents disagreed on the grounds that it would be discriminatory towards older people. Comments included:

**Discrimination against older people**
- It was pointed out that older people should not be penalized for their predicted lower earning potential, particularly in comparison to other non-earning groups, for example, home-makers.

**Cost or value of the older migrant to the UK**
- Whether or not the migrant will receive public funds in the UK was raised as a factor by some respondents.

**Other conditions of entry**
- Several respondents commented that not charging a higher fee would be reasonable if elderly migrants agreed to limits to their access to public funds or could prove that they would be cared for by a family member once in the UK.
Charging for overstayers

Q14. Do you agree that we should charge overstayers more than the cost of consideration of such applications?

Base: number of respondents answering the question using the pro-forma = 48

There was limited support expressed for charging overstayers more than the cost of consideration of their applications. Those who supported it felt that it would act as a **deterrent to overstaying**, and **encourage earlier applications**. However, other respondents thought it could be **counter productive** to charge more because overstayers would be reluctant to rectify the situation. Other comments around overstayers and late applications included:

**Length of overstay**
- It was thought by some respondents that there should not be extra costs associated with overstaying by a short period.
- A number of respondents commented that considerable penalties (charges or deportation) should be put in place for long overstays.

**Over-stay caused by UKBA error**
- It was felt to be inappropriate to charge a fee in cases where the delay was caused by UK Border Agency error in processing an application.

**Other reason for over-stay**
- A number of respondents thought it would be reasonable to allow overstayers to explain the reason behind this. For example, they may have personal problems or there may have been a delay caused by something outside of their control, such as a postal delay.

**Late applications by students**
- Many of the universities responding to this question pointed out that they undertake considerable efforts with students to avoid late applications being made, and therefore in the few cases where overstaying does occur, there is likely to be a reasonable explanation for this.
Sponsorship under the points-based system

Q15. Do you agree that we should charge sponsors of migrants in accordance with how well they comply with their sponsorship responsibilities?

Levels of support and opposition for charging sponsors in accordance with how well they comply with their responsibilities were quite evenly split (43% said ‘Yes’ and 37% ‘No’). Comments were as follows:

Criteria for and monitoring of compliance
- Many thought that the idea of charging according to sponsor compliance was a good one.
- A small group felt that the definition of compliance may be open to interpretation and leave some sponsors with higher fees for only minor breaches of compliance as well as creating an unfair system overall.

Difficulty of sponsoring varies by case
- Sponsoring certain types of migrant was seen as more risky than others and therefore would make compliance harder. This was especially noted by University respondents who felt that sponsoring students was particularly complex and risky.

Compliance is mandatory
- The view of some was that it was unnecessary to reward sponsors that are compliant with duties that are mandatory and charging on this basis would therefore undermine the seriousness with which sponsors should take their duties.

Time for PBS to bed in
- Following the introduction of the points-based system, some respondents suggested that more time was needed for sponsors to ensure that they clearly understand their responsibilities.

Reduced costs for compliant sponsors
- There was support for differentiating compliant employers and educational institutions. Universities UK stated that they are aware that UK Border Agency is developing proposals for greater differentiation between sponsors and this appears to be a welcome development as universities should be considered to be ‘highly trusted’ sponsors and able to meet their sponsor obligations with less scrutiny from UK Border Agency than other types of sponsors.

A and B rated sponsors
The views relating to A and B ratings and their bearing on sponsors' compliance, included - a charge might incentivise sponsors to work towards the A rating.

Increasing the charges for B rated sponsors must fund improvements in the service needed to get them to an A rating.

Certificates of sponsorship

Q16. Do you agree that the certificate of sponsorship should be priced more flexibly?

According to the tick boxes on the consultation form, 44% (19% more) of the respondents supported the more flexible pricing of certificates of sponsorship. A large number of comments were made by educational institutions relating to pricing of confirmation of acceptance for studies (CAS). Comments included:

Complexity of flexible pricing
- The potential complexity this may add to the system was a concern for many respondents.

Pricing for universities / Tier 4 applications
- Universities largely favoured a reduced charge for large volumes of CASs or to be charged only for those which are actually used in support of an application.
Administrative review / re-consideration / appeal

Q17. Do you agree that a fee should be charged to applicants who request an administrative review of an application that has been refused?

Base: number of respondents answering the question using the pro-forma = 49

Respondents were notably opposed to the charging of a fee for administrative review with 63% against charging. Comments relating to this largely mirrored those given to question 18, on reconsideration of refused applications, so these are discussed together below.

Q18. Do you agree that a fee should be charged to applicants who request a reconsideration of an application that has been refused?

Base: number of respondents answering the question using the pro-forma = 49

As for question 17 on administrative review, respondents were opposed to charging for reconsideration of an application that has been refused, with twice as many respondents’ opposed to charging.
The most frequently mentioned themes were that the points-based system is not yet sufficiently embedded to consider introducing charges of this type. The right to review, reconsideration and appeal was very important and could be impeded by charges.

**Too early in the implementation of the system to introduce charges**
- Respondents perceived that the newness of the system continues to cause errors in decisions, which are not the fault of the applicant, and therefore the right to review or reconsider without charge is essential.
- Review was seen to provide an important safeguard to assess the quality of UK Border Agency decisions on applications.

**Importance of administrative review for those who do not have right of appeal**
- It was noted that for groups of migrants who do not have access to the right of appeal (those who have had their application refused overseas), administrative review is their only recourse. This was seen to be unfair and therefore to have potential negative implications for the UK Border Agency in terms of its image and reputation.

**Review or reconsideration on the basis of a UK Border Agency error**
- Respondents generally thought that to charge a fee for an administrative review or a reconsideration of an application could lead to applicants paying because of errors made by the UK Border Agency.
- Several respondents, including two key stakeholders, called for a system whereby if it is found that the application was refused because of an error by the UK Border Agency, then the cost of the review or reconsideration should not be borne by the applicant.

**Affordability and efficiency of process**
- Respondents commented that the fees charged for review and reconsideration should not be disproportionate and preventative for those who have a valid case but a low ability to pay the fees.
- Some respondents called for the cost of review or reconsideration to be directly linked to the cost of processing for the UK Border Agency.

**Deterrent to unsubstantiated claims**
- An added fee for review or reconsideration was supported by some respondents on the basis that this would be a deterrent to unsubstantiated claims. Foreign & Commonwealth Office stated that “administrative reviews and appeals are both time-consuming for UK Border Agency staff to process, and expensive to undertake.”
Q19. Do you agree that users of the immigration system should contribute to the costs of the appeal system and, if so, should the costs be paid for by:
   a) All visa and immigration applicants by ensuring that visa fees contribute towards the cost of the whole system by a small increase.
   b) Those visa and immigration applicants who have a right to appeal against their decisions by increasing the relevant visa fees.
   c) Only those who wish to make an appeal against their original decision by charging a larger fee on appeal.

If yes, should the costs be paid for by option A, B or C?

Over half (52%) of respondents thought that users of the immigration system should contribute to the costs of the appeal system. Among these, C (only those using the appeal system should be charged) was the most favoured option with half choosing this option. Comments to this question included:

Ability to pay
- It was commonly agreed that the appeals process should not be limited only to those that can afford to pay for appeals, which would include many students, people on low incomes and refugees.
- Any charge should be set at an affordable level (applicable to options A, B and C).

**Right to appeal**
- Respondents generally took the view that applicants who have been refused should have the right to appeal if they feel that the decision made is incorrect. But if an applicant wishes to make an appeal against a decision, then it seems fair that the applicant in question should pay towards the cost.
- Applying a charge would cut down on the number of frivolous appeals where the appellant has no chance of winning.

**Students and other overseas applicants**
- Many universities made the point that international students do not have the right to appeal from overseas, and therefore implementation of option A would be unfair to these students as they would be contributing to the costs of a system which they are not entitled not use.

**Taxpayers should/should not contribute to the cost of the appeals system**
- Comments were split over whether or not the UK taxpayers should pay for the appeals system. Those for the UK taxpayer paying were predominantly migrants or migrant agencies.
- Those who said that they were against the UK taxpayer paying felt that funding the system should be down to the applicants who use the system.

**Wider impacts and additional information**

**Q20. Do you think that any proposal outlined above could have an impact upon community relations?**

![Bar chart showing responses to Q20](image)

More respondents thought that the proposals for charging could have an impact on community relations than those who did not (40% thought they would and only 19% thought they wouldn't). However, the largest proportion said that they did not know. The majority of comments relating to this question suggested that it could be divisive to charge migrants fees, but not the local population, or to charge some groups higher fees than others. Some of the themes identified included:
Differential treatment of international students
- University respondents commented that the immigration and visa process act as a barrier to international students being able to integrate fully into the university community as they have to be treated differently to other students by the university.
- One university commented: “We are concerned that the Points Based System in general leads to differences in how we treat our international staff and students, compared to British and European staff and students. This could lead to resentment and accusations of unfair treatment”.

Differences in fee levels within the migrant community
- Certain groups (e.g. students, skilled workers, elderly dependants) that pay higher fees, or disproportionately high fees to their ability to pay, may also feel that they are being discriminated against or treated unfairly, and this can have an impact on community relations within the migrant community.
- A migrant group commented that such “proposals to load heavier costs onto migrant dependents (both children and elderly relatives), to increase insecurity by basing application fees on ‘flexible’ criteria and to charge for administrative reviews or appeals against decisions would all generate resentment within migrant communities.”

Misconceptions about migrants in within communities
- A lack of understanding within communities about immigration fees and a perception that migrants do not contribute financially when they migrate to the UK was identified by many as having an adverse impact on community relations.

Q21. Do you think that any proposals outlined would impact adversely upon small/medium sized businesses? Please provide comments on how this impact might be minimised.

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% 20% 40% 60%</td>
<td>17</td>
<td>7</td>
<td>18</td>
</tr>
</tbody>
</table>

Base: number of respondents answering the question using the pro-forma = 42

As for question 20 on impact of the proposals on community relations, there was a high proportion (43%) of respondents who did not know whether small/medium sized businesses might be impacted. Comments generally related to the economic costs and benefits of migrants to small/medium sized businesses. Some specific themes included:

Affordability for small to medium enterprises (SMEs) of employing migrants
• Any increase in fees will have a disproportionately large impact on small/medium sized businesses and these fees are seen by many respondents as a significant deterrent to employing migrants.

• The extra administrative costs of employing/sponsoring a migrant act as a disincentive to small/medium sized businesses and educational institutions to offer migrants employment or study opportunities.

**Benefits of migrants to SMEs**

• University respondents commented that international students and staff bring considerable economic benefits to small/medium sized businesses in the local community, both in terms of spending and as employees of local businesses.

**Q22. Do you think any proposals outlined above would have a disproportionate effect upon any particular group:**

<table>
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<th>Option</th>
<th>Number of responses</th>
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<tbody>
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<tr>
<td>Gender</td>
<td>4</td>
</tr>
<tr>
<td>Age</td>
<td>6</td>
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<tr>
<td>Disability</td>
<td>4</td>
</tr>
<tr>
<td>Religion</td>
<td>3</td>
</tr>
<tr>
<td>Belief</td>
<td>2</td>
</tr>
<tr>
<td>Sexual orientation</td>
<td>2</td>
</tr>
</tbody>
</table>

Base: number of respondents answering the question using the pro-forma = 10

Only a small number of respondents ticked options for this question. Comments included:

**Discrimination against a particular group based on:**

• **Gender:** Comments centred on the view that as most dependents are women, any separate fee for dependants would have a disproportionate affect on this group and may even result in families being forced to split up.

• **Age:** Many commented that if elderly dependents faced extra/higher fees this would be discriminatory.

• **Low income groups:** Any increases in fees or changes to the process of application (e.g. lower fees for applying by internet) could have a disproportionate affect on low income groups that have a low and limited ability to pay.

**Impact on applications from developing countries**

• Many comments were also concerned with the negative impact of increased fees to those migrants applying from developing countries, who given their lower ability to pay would be disproportionately hit by any increases.

• A lobbying organisation for the arts “understands that each applicant is already considered individually depending on factors such as age and nationality, and that these factors contribute to a risk assessment of the individual. However, we are anxious to ensure that proposals do not result in
extra charges for applicants who may be deemed a higher risk (perhaps because of their country of origin or race), which would, in turn, make their entry to the country more difficult.”

- University respondents also commented that higher fees and/or more difficult processes for those applying for Tier 4 visas could have the effect of reducing the number of applicants from the developing world.

**Differential fees according to nationality**

- Respondents commented that setting different fees according to the nationality of the applicant or their location when applying could in reality be discrimination against certain applicants on the basis of religion or race.

**Refugees**

- A refugee agency made the representative comment that “refugees, whose status can impact on a number of protected characteristics, will be disproportionately affected by the consultation’s proposals”, especially as nearly all refugees come from developing countries, which they have not freely chosen to leave.

**Students**

- As students have a limited capacity to work given their study commitments, many universities and their representative bodies commented that higher charging would have a disproportionate impact on this group.
- A separate fee for dependants of students would be an added cost to a group that already has a limited ability to pay.

**Q23. Are there any other products or services that we should charge for?**

There were no suggestions made to this question. A few comments relating to the final question were opposed to charging for any further products or services, especially in relation to Tier 4 applications given the only short time the new system has been operational.
Next Steps

The charging consultation was held to inform and support decisions about fee levels for immigration and visa applications in the next five years. Measures to take forward some of the proposals within the consultation are being included in the fees proposals being developed and due to be laid before Parliament in January/February 2010. We want to make sure that the charging system as a whole contributes towards the costs of running that system, and we intend to keep the system under review. The new fees will be implemented from April 2010. Clear information will be made available on the UK Border Agency website www.ukba.homeoffice.gov.uk

Our fees reflect the value of the products we offer and balance our international competitiveness with affordability to the UK Border Agency. When considering the services we charge for, we take into account the UK’s international competitiveness, at a challenging time for the global economy, in particular the pressure being felt by UK industry at this time due to currency fluctuations, and other external factors influencing the total cost of coming to the UK to work, study, visit or settle. We review our fees on a regular basis in order to ensure that they are set at levels which welcome to legitimate migration.

Where we develop new charged services following this consultation, we will continue to work with key interested stakeholders and representative bodies to ensure these services meet requirements at costs which are appropriate to the service being offered.
Annex A – List of Respondents

A number of organisations submitted collated responses and in these cases they are only listed as one response. A number of anonymous and individual responses were also received.

1. Refugee Council and Employability Forum
2. Sopra Group Limited
3. HSMP Forum
4. Institute of Directors
5. North East Consortium
6. Cambridge Academy of English
7. Cawston Park Psychiatric Hospital
8. Academic Registrar
9. Engineering Council
10. Glasgow School Of English
11. Brown and Mason
12. The Football League
13. Office of the Immigration Services Commissioner
14. Harrogate Tutorial College
15. Cardiff University
16. University of Edinburgh
17. University of Ulster
18. Imperial College London
19. UK Council for International Student Affairs
20. Premier Visas Ltd t/a Work Permit Specialists
21. Rugby Football Union
22. Sheffield Hallam University
23. IBM UKI
24. Universities UK
25. University of Strathclyde
26. Embassy of Japan in the United Kingdom
27. British Council
28. University of Stirling
29. North West Regional Strategic Migration Partnership
30. Royal Shakespeare Company
31. University of Nottingham
32. CCPR (Central Council of Physical Recreation)
33. Waterside (HBA3)
34. BAA (British Airports Authority)
35. LOCOG (London Organising Committee of the Olympic Games)
36. Immigration Law Practitioner’s Association
37. Agent Draws Ltd Leicester
38. King’s College London
39. University of Sunderland
40. University of Leicester
41. Robert Gordon University
42. British High Commission, - Port Louis
43. Leeds Metropolitan University
44. CBI (Confederation of British Industry’s)
45. Administrative Justice and Tribunals Council
46. Durham University
47. Virgin Atlantic Airways
48. NHS Employers
49. University of Bath
50. Immigration Advisory Service
51. Refugee Council and Employability Forum
52. Scottish Government
53. University of the West of England
54. HSBC Bank PLC
55. Independent Schools Council
56. Boarding Schools' Association
57. Ukinbound
58. Study Group UK Ltd
59. Scottish Refugee Council
60. FCO (Foreign & Commonwealth Office)
61. Law Centre (NI)
62. Guild HE
63. Migrants Rights Network
64. UNHCR (United Nations High Commissioner for Refugees)
65. Fragomen LLP
66. National Campaign for the Arts
67. University of Cambridge
68. Study UK
69. Birmingham City Council