Amnesty International UK

BRIEFING 28 January 2025 REFUGEE AND MIGRANT RIGHTS

Immigration Fees: unfair and inefficient

Immigration fees are charged by the Home Office for carrying out its immigration functions. This briefing explains the unfairness and harm of these fees and what must change.

The basic problem

Many people are charged immigration fees that are set far above the cost to the Home Office of carrying out the function for which they pay the fee.ⁱ This includes fees charged for the Home Office to consider, decide, and act on someone's application for permission to come to or stay in the UK. By charging fees above the cost it incurs, the Home Office raises money to pay for the immigration system.ⁱⁱ

These fees are unfair, inefficient, and have harmful effects:

- They are **unfair** because people are charged far more than the cost of any service they ever receive. This includes people who receive no benefit at all because they are refused what they apply for (e.g., a visa), even where that refusal is wrong or unfair. Generally, the people charged these fees have no influence over the political decisions and decision-makers who keep increasing them.ⁱⁱⁱ
- They are **inefficient** because there is no incentive to control the costs of the immigration system. The more inefficient the system – including errors and delays – the more people who suffer that inefficiency are charged to cover the cost of it.
- They have harmful effects beyond the unfairness and inefficiency just described. Fees and other costs force some people into serious debt.^{iv} People can even be trapped unable to leave the UK because they have invested so much to come and unable to afford fees required for them to apply to stay longer. More people, therefore, become overstayers (i.e., people who've stayed beyond the expiry of their permission to stay). The immigration system then spends more resources trying to force them to leave the UK and dealing with their inevitable efforts to resist that or find some other way to regain permission to stay.

How this problem was created

In 2004, Parliament passed government legislation to first permit some immigration fees to be set above the cost to the Home Office of carrying out the function for which the fee is paid.^v

The intention was explained as including an additional charge (above the cost of the function) to represent the benefits people would receive. However, if the person's application was refused (meaning they received no benefit), it was said this additional amount could be returned.^{vi} Whether because a system for returning money is itself costly or simply because the Home Office prefers to keep the money, people do not generally receive the additional amount back if their applications are refused.^{vii}

From the power to raise money from immigration fees being first introduced, the Home Office – under successive governments of differing political parties - has repeatedly and significantly increased the number and levels of immigration fees. So now:

- people are charged for even more Home Office functions; viii
- the fees they are charged have generally and greatly increased; ix and
- the additional amount they are charged (i.e., the amount above the cost of the function for which the fee is paid) has also generally and greatly increased.^x

In 2014, Parliament passed government legislation to further extend powers to charge immigration fees.^{xi} The Home Office aims to make the immigration system fully self-funding by charging immigration fees so far above the functions for which they are paid that the additional amount raised will cover the cost of everything else the immigration system does – including the cost of its failure to do things, the cost of things it does but should not do, and the cost of all its inefficiency however great that may be.xii Some example of fees is given in the following table:

Table: lees relating to family migration of people joining British or settled partners or parents (as at 1 January 2025) ^{Am}				
Type of application	Current fee	Estimated Home	Amount above	Additional health
		Office costs	estimated costs	surcharge
Each application for permission to come to UK for 33 months	C1 047	6266	C1 400	£3,105 per adult
	£1,846	£366	£1,480	£2,328 per child
Each application for permission to stay in UK for 30 months	£1.258	£399	£859	£2,587.50 per adult
	£1,250	E399	2039	£1,940 per child
Each application for indefinite leave to remain after 5 years	£2,885	£646	£2.239	
living in UK with permission	£2,005	L040	E2,239	none

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How the Home Office attempts to justify these fees

The Home Office says the people who benefit from the immigration system should be the people to pay for it.xiv This 'justification' is clearly bad for at least two reasons:

- In various ways, the people who are paying for the immigration system are not benefiting from it. On the one hand, people whose applications are successful nonetheless suffer from the system's inefficiency - delays, errors, and the consequences of these. They are also required to pay higher fees because of that inefficiency. On the other hand, people who receive no benefit at all because their applications are refused are still charged as if receiving all the benefit of a successful application.xv
- More broadly, the immigration system is not simply for the benefit of the minority of people being required to pay for it but for the majority, who increasingly are not charged for it (although they pay the cost of the system's inefficiency and harmful effects in other ways). That majority is the general public. They are being seriously misled. The Home Office tells them it is beneficial to have an immigration system but also that they do not have to pay for it. In return, the Home Office delivers a bad immigration system. While the general public is freed of much of the direct costs of the system, they pay several indirect costs of having such a bad system - including costs that result from making the lives of many of the people who are required to pay for the system so miserable and vulnerable by the debt, delays, errors, and other harms it inflicts upon them.xvi

When the Home Office gives this 'justification' it often misleads the general public further. It does so by suggesting that the cost of the immigration system is being removed from the taxpayer.xvii However, when it says this, it overlooks that the people required to pay immigration fees are - if they do come or stay in the UK - taxpayers too. They pay immigration fees, and they pay taxes (like VAT, income tax, national insurance, and council tax).

How the problem is made even worse

There are three ways by which the problem described in this briefing is made even worse because the people who are charged immigration fees are also required to pay even more money:

- They are required to pay a very large additional charge (called the health surcharge) to be permitted to access health services.^{xviii} This is required whether or not they use these services. It is required even though people are paying the same general taxes as other members of the general public.
- Many have additional costs passed on to them by employers or education institutions to cover the immigration fees and charges these businesses are required to pay.^{xix}
- The cost of their legal and other fees is also increased because the system has been made much more complicated while the consequences of any errors have become more severe.^{xx}

Who is most affected and how

As is often the case, **the people most affected by the unfairness**, **inefficiency**, **and harms described in this briefing are the people least able to protect themselves**. They include:

- people whose migration for work or study is to provide vital support to extended families in the countries from which they have come;
- people who cannot choose an alternative destination because they are coming to join their family in the UK, or their relative poverty greatly limits the choices they have to work or study elsewhere;
- people who've come but whose permission to stay is dependent on making repeated applications, each time with a fee that is nearly always going up (often with little or no time for people to prepare for that), and who've already invested too much to simply relocate again; and
- children, who are entirely dependent on parents, some of whom cannot afford even their own fees
 let alone the fees that are required to maintain their children's permission to stay.xxi

In response to a successful legal challenge, the Home Office has introduced **fee waivers** for some situations in which someone in the UK can show they cannot afford the fee.^{xxii} The system to apply for this waiver is complex and available only if refusing permission to stay would breach someone's human rights.^{xxiii} No fee waiver is available for an application for indefinite leave to remain (i.e., to become a permanent resident), even where the rules allow for such an application in recognition of someone's family or private life in the UK. A person who cannot afford that fee must simply remain a temporary resident for so long as the fee is beyond them.^{xxiv}

What must be done

Fundamental changes to immigration fees are urgently needed, including the following:

- abandon the policy aim of recovering the full cost of the immigration system from these fees;
- **ensure fees are set having regard to people's ability to pay them** (immigration rules provide the means for any restriction on who may come or stay, not fees for people who meet those rules);
- **make fee waivers accessible to the people for whom they are provided** by removing the complexity (and cost) of the fee waiver system;
- make fee waivers available for applications for indefinite leave to remain based on a person's family or private life in the UK;
- where people have already been permitted to come or stay in the UK, **ensure no fee increase will apply to any application to extend their stay unless that increase is made well in advance** e.g., at least 12 months in advance of when they must make their application;
- abandon the health surcharge; and
- make the setting of immigration fees, and the setting and implementing of immigration policy more generally, subject to careful consideration of the lives, interests, and rights of the people to whom these apply.

Conclusion

Immigration fees are far too high. The policy aim of recovering the cost of the immigration system from these fees is unjust. This is doing serious harm to many people and no good to the immigration system itself. Change – including the implementation of proposals set out in this briefing – is urgently needed.

Notes

ⁱⁱⁱ UK-resident British citizens, Irish citizens, and Commonwealth citizens with permission to be in the UK are generally permitted to vote in UK general elections. However, immigration fees do not apply to Irish citizens, who are generally free to come and stay in the UK as most recently affirmed by section 3ZA of the Immigration Act 1971.

^{iv} In April 2022, Migrant Voice published *Destroying Hopes, Dreams and Lives* (on the impact of visa costs and processes) identifying debt, and its consequences, as a major impact of immigration fees.

^v Asylum and Immigration (Treatment of Claimants, etc.) Act 2004, section 42 was followed by further fees provisions in the Immigration, Asylum and Nationality Act 2006 and the UK Borders Act 2007.

^{vi} See e.g., the <u>House of Commons Library research paper 03/88</u>, *Asylum and Immigration: the 2003 Bill*, 11 December 2003, p93 on what was then clause 20. A <u>2006 Home Office consultation on fees</u> did not consider returning money.
 ^{vii} See Home Office *Immigration and nationality refunds policy*, Version 10.0, April 2024

^{viii} The Immigration and Nationality (Fees) Order 2016, SI 2016/177 (as amended) sets out the functions for which a fee may be charged and maximum amounts or rates that may be charged. The Order is regularly amended to set new maxima. ^{ix} The specific fees that are set are to be found in the Immigration and Nationality (Fees) Regulations 2018, SI 2018/330 (as amended). These Regulations are regularly amended to set new fees.

^x Estimated costs of relevant Home Office functions and the fees that are charged are set out in <u>visa fees transparency data</u>. ^{xi} Immigration Act 2014, sections 68 to 70. These provisions, together with section 70A, now provide the legislative underpinning of immigration fees (also of nationality fees).

^{xii} For example, the then Minister for Immigration (Robert Jenrick) explained, "We seek to raise sufficient funds that general taxpayers do not fund, or fund to a lesser extent than they would otherwise, our visa and immigration system", <u>Hansard HC</u>, <u>delegated legislation committee</u>, 12 July 2023 : Col 8. Nearly two decades earlier, a 2004 Home Office consultation on fees identified an aim of delivering a "self-financing, managed migration programme".

^{xiii} A person coming to settle in the UK with a partner or parent would need to pay all these fees and charges over the time of their progress on the family migration route to settlement (though these would be likely to increase over that time).

^{xiv} The <u>Impact Assessment for Immigration and Nationality (Fees) Regulations (Amendment) 2024</u>, HO IA0491, 20 March 2024, p3: "*The government aims to move towards an immigration system that is substantially self-funded, where the costs of front-line migration and borders operations are recovered through fees paid by those who use and benefit from the system.*" ^{xv} See Home Office *Immigration and nationality refunds policy*, Version 10.0, April 2024

xvi See e.g., Migrant Voice, *Destroying Hopes, Dreams and Lives*, April 2022, op cit.

^{xvii} See e.g., <u>Impact Assessment for Immigration and Nationality (Fees) Regulations (Amendment) 2024</u>, HO IA0491, 20 March 2024, pp1 & 3.

^{xviii} See the Immigration (Health Charge) Order 2015, SI 2015/792 (as amended).

^{xix} Among immigration fees these businesses may be charged are <u>sponsor licence</u> fees and the <u>immigration skills charge</u>. ^{xx} Complexity of the immigration system has long been criticized by the judiciary and others. It has been considered by the <u>Law Commission</u>. Yet the system continues to be made ever more complicated. It is, at least, reasonable to speculate that allowing the system to pass on its costs (by immigration fees) rather than take responsibility for them is a cause of this. ^{xxi} Since children are generally unable to earn money, the risk is greater that their immigration (and nationality) fees and status are sacrificed rather than those of an adult who can, if permitted to work, contribute to a family's income.

^{xxii} *R* (*Osman Omar*) *v* Secretary of State for the Home Department [2012] EWHC 3448 (Admin) led to a fee waiver for a <u>specified human rights application</u> if the person can show they cannot afford the fee. Other fee waivers and exemptions are set out in Table 9 of the Immigration and Nationality (Fees) Regulations 2018, SI 2018/330 (as amended). For example, no fee is payable for an asylum application or an application by a child looked after by a local authority.

^{xxiii} The fee waiver system has been subject to further litigation, including in *R* (*Dzineku-Liggison*) *v* Secretary of State for the Home Department [2020] UKUT 222 (IAC) and is currently being inspected by the <u>independent chief inspector of</u> borders and <u>immigration</u>.

xxiv As at 1 January 2025, the relevant fee was £2,885 for an application the Home Office estimates to cost it £646 to process.

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ⁱ The fee to apply for permission to come to the UK as a student is £490. The Home Office estimates its costs of processing the application to be £179. Fees for many other types of application are set even further above the processing cost. Section 68(8)(b) of the Immigration Act 2014 permits fees to exceed the cost of "*exercising the function*" for which the fee is paid. ⁱⁱ The <u>Home Office Annual Report and Accounts 2023-24</u> (p192) identifies £2,626M raised in immigration (and nationality) fees during the accounting year, £1,381M of which was above cost recovery (slightly below its target).