



# GMS Flash Alert

## Immigration Edition

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## United Kingdom – Government Announces Changes to Immigration Fees from 6 April

On 16 March 2018, the U.K. government announced its plans to increase fees for visa, immigration, and nationality applications, as well as associated priority and premium services. The government wishes to reduce taxpayer contributions whilst continuing to provide and invest in services that remain attractive to customers and competitive with other countries. The new fees will come into effect on 6 April 2018.

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### WHY THIS MATTERS

The increase in fees for U.K. entry clearance as well as in-country visa applications represents higher costs to businesses that wish to move their global workforce to the United Kingdom. This increase may affect global mobility budgets at short notice, and it comes on top of the rise in the Immigration Health Surcharge expected later this year.<sup>1</sup>

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### Visa Fees

On 16 March 2018, the Home Office laid legislation before Parliament.<sup>2</sup> It sets out that the following changes will come into effect on 6 April 2018:

- a 4-percent increase will apply to work, study, and visit visas, as well as nationality, settlement, and family visas;
- a 15-percent increase will apply to optional overseas priority visa services;
- fees for entry clearance to the Channel Islands and Isle of Man will rise in line with fee changes for the rest of the U.K.;
- no increases are made to sponsor licence fees.

Outlined below is a table of indicative fees for visa categories that will be relevant to U.K. businesses. You may wish to refer to the Home Office's Web site for the complete list of U.K. visa categories and fees.<sup>3</sup>

Fee Category	Current Fee	Fees from 6 April 2018
<b>APPLICATIONS MADE FROM OUTSIDE THE U.K.</b>		
Visit visa < 6 months	£89	£93
Visit visa < 2 years	£337	£350
Visit visa < 5 years	£612	£636
Visit visa < 10 years	£767	£798
Settlement	£1,464	£1,523
Representative of an overseas business	£587	£610
Tier 1 (Entrepreneur)	£982	£1,021
Tier 1 (Investor)	£1,561	£1,623
Tier 2 (General), (Intra Company Transfer) – Long Term Staff - 3 years or less	£587	£610
Tier 2 (General), (Intra Company Transfer) – Long Term Staff – more than 3 years	£1,174	£1,120
Tier 4	£335	£348
Tier 5	£235	£244
Priority Visa – Non settlement	£184	£212
Priority Visa - Settlement	£551	£573
<b>APPLICATIONS MADE FROM WITHIN THE U.K.</b>		
Indefinite Leave to Remain	£2,297	£2,389
Naturalisation	£1,282	£1,330
Leave to Remain – Other	£993	£1,033
Transfer of Conditions (Limited Leave to Remain)	£168	£161
Transfer of Conditions (Indefinite Leave to Remain)	£237	£229
Tier 1 (Entrepreneur)	£1,228	£1,277
Tier 1 (Investor)	£1,561	£1,623
Tier 2 (General), (Intra Company Transfer) – Long Term Staff - 3 years or less	£677	£704
Tier 2 (General), (Intra Company Transfer) – Long Term Staff - more than 3 years	£1,354	£1,408
Tier 4	£457	£475
Tier 5	£235	£244
Premium service centre	£590	£610
Priority postal service	£459	£477

Source: U.K. Home Office

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## KPMG NOTE

Taken in isolation, each fee may not appear to have increased to a significant degree. However, the cumulative effect could be felt by U.K. businesses that rely on their ability to swiftly and cost-effectively move their skilled and experienced workforce, as well as their emerging talent, to the U.K. for the benefit of their operations and clients.

The U.K. government's aims are to reduce the burden of running visas and immigration on the U.K. taxpayer and to provide a user-friendly system that is competitive in terms of the global market-place.

While this is a laudable goal, it does not appear to come with a promise of enhancing efficiency in their processes. This may mean that fees will continue to rise over the next few years, putting additional financial burdens on U.K. businesses that are trying to stay competitive in a global market.

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## FOOTNOTES:

- 1 For prior coverage of the Immigration Health Surcharge, see GMS [Flash Alert 2018-036](#) (22 February 2018).
- 2 For *The Immigration and Nationality (Fees) (Amendment) Order 2018*, [click here](#).
- 3 For the Home Office's full table of fees, [click here](#).

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## Contact us

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The KPMG Legal Services – Immigration Team has a wealth of experience in transactional, advisory, and compliance assurance services. We will be able to advise your business in relation to practical considerations in light of the above changes, as well as what this means for your long-term recruitment and compliance strategies.

*\* Please note the KPMG International member firm in the United States does not provide immigration or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.*

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