

GMS Flash Alert

Immigration Edition

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United Kingdom - Visa Fees to Increase from 4 October 2023

Following legislation being laid in Parliament on 15 September, the U.K. Home Office announced that a range of immigration and nationality fees will increase from 4 October 2023.¹

Many of the visa application fees and Certificate of Sponsorship fees will increase by 15 to 20 percent following on from the government announcement on 13 July, whereby subsequent to the Public Sector Pay debated in Parliament, the U.K. government had announced that it had accepted the headline recommendations of the independent pay-review bodies in full. This included acceptance of the proposal to increase visa and Immigration Health Surcharge fees (IHS) as part of funding a pay-raise for public-sector workers.²

According to the Home Office press release on 15 September “*increases to immigration and nationality fees will pay for vital services and allow more funding to be prioritised for public sector pay rises.*”³ The changes announced on 15 September do not include the planned increases to the Immigration Health Surcharge (IHS) which are scheduled to be introduced later in the autumn with a specific implementation date not yet announced (for prior coverage, see [GMS Flash Alert 2023-144](#), 18 July 2023).

WHY THIS MATTERS

For employers that employ and recruit foreign nationals, this means an increase in fees across a range of immigration and nationality “routes,” including for people coming to the U.K. to live, work, and study. They should therefore, as a priority, assess the impact of the increase in fees on recruitment, talent, and retention policies from the cost and budgeting perspectives.

Further Details

Set to come into effect on 4 October, the increases to visa and nationality fees will range between 15 percent to 20 percent depending on the visa category – with accompanying increases to the IHS being introduced later in autumn due to the legal process for increasing this taking longer.⁴ Some of the visas for which fees will increase include:

- Fees for up to 6 months, 2-, 5- and 10-year visit visas.
- The majority of fees for entry clearance and certain applications for leave to remain in the U.K. including those for work and study.
- Fees for indefinite leave to enter and indefinite leave to remain.
- Convention travel document and stateless person's travel document.
- Health and Care visa.
- Fees in relation to Certificate of Sponsorship and Confirmation of Acceptance of Studies.
- The in- and out-of-country fee for the "super priority" service and the out-of-country fee for the priority service. The "settlement priority" service will reduce so it is aligned with the cost of using the priority service.
- Applications to Register and Naturalise as a British Citizen.
- The fee for the User Pays Visa Application service.

A full list of the new fees can be found at: ["Visa fees transparency data"](#) from UK Visas and Immigration.

KPMG INSIGHTS

As the amount of the fee increases and effective date for the same have now been announced, employers can start to assess the impact of these on current and future budgeting forecasts with more certainty. As an immediate action it would be prudent for employers to assess the impact on budgeting for the next financial year. This would include for example, considering whether the filing of immigration applications can be brought forward to take advantage of the current lower fees; and revisiting any forward planning budget assessments to consider the upcoming increases and reduce the risk of under-budgeting.

Employers should also be in regular contact with their immigration counsel so that they are keeping abreast of any announcements relating to the effective date of the IHS fee increases as these will have significant impact on budgeting.

From a long-term, strategic planning perspective, employers may want to review the level of visa application support they provide when seeking to retain and recruit talent, when operating within budgeting constraints, and when business restructuring and expansion planning.

FOOTNOTES:

- 1 See UK Visas and Immigration, "[Policy Paper: UK visa fees](#)".
- 2 Hansard, Public Sector Pay, Volume 736: debated on Thursday 13 July 2023: <https://hansard.parliament.uk/commons/2023-07-13/debates/677D41A0-5A85-4869-8167-69044929D759/PublicSectorPay> .
- 3 Home Office (15 September 2023), "[News story: New visa fees set to come into effect next month](#)".
- 4 House of Commons Library, Research Briefing "[UK immigration fees](#)" (published 15 September 2023).

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Recently Published! "The 2023 Current Trends in Remote Working Report"

Remote work has become an integral part of our working world. The ability to work from anywhere has transformed how we work, removing geographical limitations and reshaping the traditional office-based model. Based on the views of more than 580 global mobility professionals from 52 countries who participated in the KPMG International webcast, "Work from Anywhere: It's been three years," this report provides insights into current remote work considerations and applications.

Contact us

For additional information or assistance, please contact your local GMS or People Services professional* or the following professional with the KPMG International member firm in the United Kingdom:



Nadia Idries

Director & Solicitor

Tel. + 44 (0) 7840 845983

Nadia.idries@kpmg.co.uk

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