

Recent and Upcoming Immigration and Nationality Fee Increases in the United Kingdom

Article By:

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On 15 September 2023, the Home Office announced significant increases to UK immigration and nationality fees, which came into effect on 4 October 2023. This increase has affected many different categories, including the following:

- Skilled Worker, Global Business Mobility (GBM)—Senior or Specialist Workers and other work- and study-related immigration applications
- Visitor visa applications
- Indefinite Leave to Remain applications
- Certificate of Sponsorship fees
- British citizenship fees
- Super priority and priority visa service fees

Quick Hits

- On 4 October 2023, UK immigration and nationality fees increased significantly, with the highest increase being 100 percent for priority service (for routes not leading to settlement) outside the UK.
- The immigration health surcharge for adults will increase 66 percent to £1,035 per year on 16 January 2024, and to £776 for children.
- The increase in both visa fees and the IHS will mean significantly

higher costs for employers that sponsor workers and put pressure on existing recruitment budgets.

Information on specific fee increases can be found [here](#). However, the table below provides an overview of some of the key fees for employers:

Application type	Previous fee	New fee	Percentage
Skilled Worker (three years or less) from outside the UK	£625	£719	15%
Global Business Mobility—Senior or Specialist Worker	£625	£719	15%
Certificate of Sponsorship	£199	£239	20%
Visit Visa—Short up to six months	£100	£115	15%
Priority service—outside the UK (for routes not leading to settlement)	£250	£500	100%
Super priority service—inside the UK	£800	£1,000	25%

Immigration Health Surcharge Increase

In July 2023, the government announced that the fees for the immigration health surcharge (IHS) would increase on a date to be announced in the future. Then, in October 2023, it was confirmed that the increase to the IHS would come into effect in January 2024. This increase will have a significant effect on many applicants, as the standard IHS will rise by a substantial 66 percent. Once the draft legislation is ratified, the fee increase will be effective on 16 January 2024 and will apply to visa applications filed from that date.

Currently, the IHS is £624 per year for adults and £470 per year for children. The fee will now rise to £1,035 per year for adults and £776 for children.

What Is the IHS?

Subject to a few exceptions, the IHS is a charge payable by applicants applying for a UK visa. The charge is payable alongside the visa application fee and allows applicants to access the National Health Service (NHS) in the UK for the duration of their visa. It is charged per year of permission requested.

The last increase to the IHS was made in October 2020. In the [draft explanatory memorandum](#), the Home Office explained that “[t]he increases to the Health Charge reflect the increased cost of healthcare provision and the extra pressures which migrant driven population growth is placing on the NHS”.

Impact

For employers, it is important to note that the IHS is payable for visa applications filed under the Skilled Worker route and GBM: Senior or Specialist Worker route.

Companies will often cover the fees for the main worker and, depending on a company’s policies, those of any dependant family members. Hence, the increase in both visa fees and the IHS will mean significantly higher costs for employers that sponsor workers and put pressure on existing recruitment budgets.

By way of example, let’s consider a single skilled worker making an application for a three-year visa. Currently, the applicant would pay £1,872 for the IHS (£624 per year of sponsorship); after the fee increase in January 2024, the applicant would pay £3,105 for the IHS (£1,035 per year of sponsorship).

An application for a family of four for a three-year visa (main applicant as

a sponsored skilled worker, a dependant spouse, and two children) would currently cost £6,564 for the IHS (£3,744 for the two parents and £2,820 for the children). However, after the fee increase, the cost would be £10,866 for the IHS (£6,210 for the two parents and £4,656 for the children).

Points to Note

The increase in fees will significantly impact sponsor licence holders and the future recruitment for their business—especially those that regularly use the popular visa routes, such as the Skilled Worker and GBM routes. Employers may want to consider their budgets for recruitment and new hires.

Employers may also want to consider clawback clauses, as many of the fees in relation to a visa application are incurred up front. For instance, before the worker has joined the business, a clawback clause can allow an employer to recoup some fees, should an employee decide not to join the business—or join, only to leave the business a few months later.

Prohibited clawbacks cannot be passed on to or recouped from the sponsored worker, such as the immigration skills charge, which is payable when assigning a certificate of sponsorship.

In order to avoid the higher charges, it is possible for employers to submit any upcoming applications for leave to enter or remain in the UK prior to the effective date of the change. When sponsoring migrants, employers may also want to consider sponsoring applicants for the maximum immigration permission allowed in their circumstances, in order to pay the lower rate while it is still available.

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