



Home Office

Consultation for fees and charging Immigration and visas

Response form

Completed Consultation form should be sent no later than midnight on 3rd December 2013 to the following address:

Electronic:

Charging.Consultation@homeoffice.gsi.gov.uk

By Post to:

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This document is available in electronic format on the GOV.UK website:

<http://www.gov.uk/>

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Please feel free to provide comments on additional sheets if there is not sufficient space on this form. Please specify which question(s) you are responding to on any additional sheets.

Simplifying our fee structure

Q1. Do we have the right balance between simplicity and the need to differentiate fee levels for different products and services?

- The balance is about right**
- Fees should be simplified, even if this means that some customers pay higher fees**
- There should be more price points to differentiate fees further**
- Don't know**

Please provide comments to explain your answer above:

The Tourism Alliance is responding to this consultation principally in relation to visitors who match the UNWTO definition of a tourist. This being a person who is resident in another country who visits the UK for a period of no greater than a year and is not employed locally. At the moment there are six main visa products that relate to “tourists” - four visit visa products as well as a short term student visa and transit visa.

We believe that although there are currently 120 different fee levels, the number that relate to tourist visitors does not need to be either increased or decreased.

Q2 What changes, if any, would you introduce to ensure the immigration fee system is both simple for applicants to understand, and flexible enough to cater for different circumstances?

Firstly, it should be noted that the Tourism Alliance recognises and supports the Home Office’s current approach of charging less than the cost-recovery level for visitor visas. This is important as the international tourism industry is a highly competitive and potential visitors are able to substitute a stay in the UK with a stay in any number of other destinations around the world.

However, when setting the cost of a visitor visa to the UK, and comparing it with the cost of a visa to other destinations, the Home Office needs to take into consideration not just the headline cost, but the travel patterns of visitors from different countries, the value to the UK economy of visitors from different countries and the comparative “value” that these visitors are receiving from purchasing a UK visa.

For example, while visitors from China who travel to the USA pay more for a visa than they do when visiting the UK, the vast majority of these visitors spend their whole stay in the USA while most Chinese visitors wanting to come to the UK, would like to do this as part of a European tour. This means that the USA visa, while more expensive than a UK visa, is actually better value due to visitors staying 10-14 days in the USA compared to around 3 days in the UK.

Similarly, a Schengen visa, while also cheaper than the UK visa at around £50, is considerably greater value to the customer than a UK visa because it allows them to undertake a European tour of anything up to 26 different countries – including the ability to visit four of the top six global tourism destinations.

As such, it is not only imperative that the UK visa remains at a level below cost recovery, but that the cost be set at a level that provides the customer with a level of value that is comparable with a Schengen

visa. This could be achieved through a number of means including introducing a low cost visitor visa for use in specific countries where the main product being sold is a European package tour (eg., China). That is, a person from China travelling as part of a European package tour could

Another example of providing better value to customers would be to reduce the cost of 5 year and 10 year visitor visas to cost, especially for countries where there is a significant repeat leisure and/or VRF visitor market (eg., India).

At the moment there is very little incentive for most visitors to purchase five or ten year visit visas. A five year visa costs £511 while a ten year visa costs £737. This means that a visitor would have to visit seven times in five years or 10 times in 10 years for these visas to be worthwhile. For anyone who is not a business traveller, this is highly unlikely.

However, if the cost of a 10 year visa was reduced to cost (£136), it would save both the visitor and the Home Office a considerable amount of money. For example, a visitor who came to the UK once every three years would save £104 while, at the same time, the Home Office would save £168 through not having to process three separate applications at a loss of £56 each.

Fee Levels

Q3. Do you feel that fees should, in part, be determined by where or when an applicant applies? Please explain why.

- Migrants should pay a single fee for a particular product, wherever they apply
- Migrants should pay different fees for products depending on where they apply
- Another approach should be used (please give details)
- Don't know

Please provide comments to explain your answer above:

We believe that there should be the ability to have different visitor visa application processes in different countries to reflect the different levels of risk posed by visitors. For example, the risk posed by a visitor from the Vatican City is probably lower than a visitor from Syria. Therefore, the level of documentation required from the Vatican City visitor, and effort needed to process their application, should be lower. This should be reflected in a lower charge being set.

Q4. Are there any immigration products where you feel that fees should be reduced, or where an increase would provide a more balanced range of fees? (Please see Appendix A for current fees)

- Some fees should be reduced (please give details below)**
- Some fees should be increased to allow for reductions elsewhere (please give details below)**
- Don't know**

Please provide comments to explain your answer:

As our answer to Question 2 relates, we believe that the pricing of long term visitor visas needs to be revised as this would provide benefits to both visitors and to the Home Office.

We also believe that the cost of transit visas needs to be reviewed. While the cost of a UK transit visa is comparable with other European countries, it is noticeable that the UK requires a transit visa from many more countries than other European countries. As the UK is reliant on having Heathrow as the major European hub airport, an urgent reassessment of the requirement for transit visas is need if we are not to provide a competitive advantage to other European airports.

Legislation

Q5. How should the Home Office use the new framework to make the legislative process for fees and charges more responsive to change?

The Tourism Alliance agrees that the Home Office should make fees and charges more responsive to change. We believe that visa fees, and the ability to introduce new visa products, are important tools that the Home Office should be using to stimulate demand for people to visit the UK and to provide growth and employment for the UK economy.

However, in providing the Home Office with increased flexibility to change fee levels, we would want the new framework to include safeguards to ensure that the ability to increase fees was not used simply as a replacement for driving forward efficiency gains in the provision of visas.

Therefore, we suggest that an industry consultation group should be established to provide input on proposals to change visa fees.

Premium and optional services

Q6. Do you think customers should only be able to subscribe to a complete package of end-to-end premium services at a single fee, or should customers continue to have the option of paying for individual products and services (with separate fees, which would have a higher total cost)?

- Premium services should be packaged together as a single product
- Customers should be able to choose from a menu of different premium services
- Both- customers should have the choice of either option

Please provide comments to explain your answer:

We believe that customers should be provided with as much flexibility as possible to pick and choose the services that they require. However, while we support the Home Office in the provision of premium services, we would warn against premium services being provided as a replacement for improvements to the core service. The main focus of the Home Office's activities should be continual improvements in processing standard visitor visas. No visitor should feel forced into purchasing premium products simply to ensure that their application is processed within a reasonable period with minimum inconvenience.

Q7. Are there any premium services or business support services that you would like to see, or that you would use if available (for example, bespoke or mobile services, or one-to-one business support services)? Please set out any differences, if any, between the services you would like to see for small and medium enterprises, and larger.

No Comment

Border Force

Q8. Should Border Force provide or facilitate enhanced services at the border?

- Yes
- No

Please provide comments to explain your answer:

As Border Force officials are a visitor's first contact with the UK, they have a key role to play in forming the visitor's perception of the UK as a destination. The main issue that impacts upon visitors' initial perceptions of the UK is processing times at immigration. The main focus of the Border Force, outside of maintaining security, should therefore be to reduce processing times.

We would support the ability of the Border Force to provide enhanced services that improve the

welcome that visitors to the UK receive – subject, of course, to considerations of cost and practicality. Such enhanced services might include increasing the ability to process tour groups from certain destinations through a separate immigration channel or enhancing the Registered Traveller Scheme which allows approved passenger to use the EU lanes.

However, these enhanced services should not be at the expense of providing an adequate service through the normal immigration lanes.

Q9. Should the charges for these enhanced services reflect their value to ports, airlines and passengers, depending on the nature of the service provided, or should we apply a single national rate?

- Charges should reflect the value of the product to the passenger
- Enhanced services should be charged at a single national rate
- Other

Please provide comments to explain your answer:

No Comment

Q10. What do you consider to be an enhanced service and under what circumstances do you think it is appropriate for Border Force to charge?

As mentioned in answer to Question 6, the Tourism Alliance is concerned that the focus on providing enhanced services will be at the expense on providing adequate core services or, indeed, a way of the Home Office funding what many people would consider to be a core service. For example, the Home Office might consider an enhanced service to be a separate immigration lane for clearing tour groups. However, we would suggest that if sufficient resource was put into manning normal immigration lanes, a separate lane for tour groups would not be necessary.

Commercial Partnerships

Q11. Should we charge third party organisations that we contract with for the advice and support we provide, to ensure they comply with our standards?

- Yes
- No
- Don't know

Please provide comments to explain your answer:

There may be circumstances where it is appropriate to charge third party organisations for advice and support but we believe that the appropriateness of doing so should be considered on a case-by-case basis and there is a propensity for costs such as this to simply be passed on to customers.

Refunds and administration fees

Q12 Do you agree that an administration charge should apply where a refund is made in respect of withdrawn or rejected applications in certain circumstances? Please provide comments to explain your answer.

While it may be appropriate to levy an administration charge in certain circumstances such as the deliberate falsification of documentation accompanying a visa application, we would caution against the use of administrative charges in most circumstances. The reason for this is that customers may have compelling personal reasons for not being able to undertake a visit to the UK at a particular time and may be intending to reapply at a later date. Applying an administrative charge provides these customers with a negative experience, encourages the perception that the UK does not welcome visitors and discourages them from visiting in the future.

Q13 If so, at what level should this charge be set?

- At cost (the average cost of administration to the point the refund is made)**
- Below cost**
- Above cost**
- Another amount**

Please provide comments to explain your answer:

As we believe that administrative charges should not be levied in most circumstances, there is no appropriate level for the charge to be set.

Wider impacts & additional information

Q14 Do you think that any of the proposals outlined above could have an impact upon community relations? Please provide comments on why you think this is the case and how this impact might be minimised.

In many overseas markets the UK is perceived to be unwelcoming of visitors. Therefore, any changes that increase visa fees or are seen to be decreasing the value that the customer receives will impact negatively upon community relations – both in overseas markets and within resident communities within the UK. For example, the proposal to trial visa bonds in the Indian market was received very poorly both in Indian and within the resident Indian population in the UK.

To minimise this impact the Home Office must change from being a department solely focused on border protection to one which has an equal emphasis on facilitating the ability of people to undertake legitimate travel. And while the Home Office might believe that it has embraced this dual function, this is certainly not the perception that many visitors gain when undertaking the visa application process.

Q15 Do you think that any proposals outlined would adversely affect small and/ or medium sized businesses? Please provide comments on why you think this is the case and how this impact might be minimised.

No Comment

Q16 Do you think any proposals outlined above would have a disproportionate effect upon any particular group according to:

- Race
- Gender
- Age
- Disability
- Religion
- Belief
- Sexual orientation

Please provide comments to explain your answer:

No comment

About you

Q17 Do you represent one of the following?

- Public sector body
- Private sector body
- Voluntary/not for profit organisation
- Other (please specify)

Q18 Which best describes your organisation/company?

- Micro company (1-9 employees)
- Small-medium enterprise (10-249 employees)
- Large company (over 250 employees)
- Not applicable

Q19 Approximately what percentage of your total workforce or student body is from outside the UK?

- Not applicable
- None
- Less than 10%
- Between 10% and 50%
- More than 50%
- Don't know