**EXPLANATORY MEMORANDUM TO**

# THE IMMIGRATION AND NATIONALITY (FEES) (AMENDMENT) (NO. 2) REGULATIONS 2025

**2025 No. 1108**

## 1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Home Office and is laid before Parliament by Command of His Majesty.

## 2. Declaration

2.1 Mike Tapp MP, Minister for Migration and Citizenship at the Home Office, confirms that this Explanatory Memorandum meets the required standard.

2.2 Nicola Sills, Deputy Director – Strategic Finance at the Home Office, confirms that this Explanatory Memorandum meets the required standard.

## 3. Contact

3.1 Milind Deshpande at the Home Office can be contacted by email at the following address with any queries regarding the instrument: feesandincomeplanning.requests@homeoffice.gov.uk.

## Part One: Explanation, and context, of the Instrument

## 4. Overview of the Instrument

***What does the legislation do?***

4.1 This instrument will amend the Immigration and Nationality (Fees) Regulations 2018 ("the 2018 Fees Regulations") to:

(i) Introduce new fee exemptions for:

(a) Applications for review of an application refused in nationality cases, in specified circumstances (paragraphs 5.1 and 5.3 below)

(b) Applications for entry clearance and permission to enter the UK under the UK/European Applicant Transfer Scheme (paragraphs 5.4 to 5.6 below)

(ii) Make changes to the fee exemption for stateless persons to include dependant family members of stateless persons (paragraphs 5.7 to 5.9 below)

(iii) Make a technical amendment to update references to the amended Immigration Rules in the existing provision that exempts Afghan nationals and their dependant family members from fees when applying under the Afghan Relocations and Assistance Policy (ARAP) (paragraphs 5.10 to 5.12 below)

(iv) Make changes to specified fees for premium service payable by sponsors (paragraphs 5.13 to 5.19 below)

***Where does the legislation extend to, and apply?***

4.2 The extent of this instrument (that is, the jurisdiction(s) which the instrument forms part of the law of) is England and Wales, Scotland and Northern Ireland.

4.3 The territorial application of this instrument (that is, where the instrument produces a practical effect) is the same as its extent.

## 5. Policy Context

***What is being done and why? What was the previous policy, how is this different?***

### Fee exemption: review of an application related to nationality which is refused

5.1 At present a fee of £482 is payable to apply for a review of an application which is refused in respect of an application for a certificate of registration, naturalisation as a British citizen or for a certificate of entitlement to the Right of Abode. This fee is currently set below the estimated unit cost and is refunded in the event that the original decision is overturned on review. This fee is payable even when the original application was made free of charge, either because the application fee was waived, exempted, or there was no requirement to pay a fee for the original application. As an alternative, in instances where applicants do not feel that they are able to pay the review fee, individuals have the option of making a further substantive application including re-applying for the associated fee to be waived where such a waiver is available.

5.2 Charging a fee for review regardless of the circumstances of the original application ensures that the costs associated with operating the review process can be substantially recovered. However, a departmental review of this approach identified that stakeholders had concerns regarding the accessibility of the review process to certain cohorts, such as child applicants, and that this approach could result in additional caseworking costs associated with individuals making repeat nationality and fee waiver applications. This amendment will address these issues by introducing a fee exemption so that the review fee is not payable where the original application had the fee waived or, exempted or otherwise not payable. It will facilitate children to access review without a fee, if they were granted a fee waiver when they originally applied.

5.3 The new fee exemption will allow eligible individuals to claim the exemption when submitting a review request using Form NR, which is a paper-based application. Where applicable, the fee for attending a citizenship ceremony (currently £130) will remain payable upon a successful outcome of a review, even where the review fee itself is exempt.

### Fee exemption: UK/European Applicant Transfer Scheme

5.4 A new immigration route was introduced in the Immigration Rules from 7 August 2025 for individuals to apply to come to the UK under the UK/European Applicant Transfer Scheme (Ref - Statement of Changes to the Immigration Rules, HC 1373, 5 August 2025). Individuals who meet the requirements may be granted entry clearance to come to the UK for up to three months. This scheme is to operate initially on a pilot basis as a component of the agreement between the UK and France on the prevention of dangerous journeys.

5.5 An application fee of £682 would ordinarily be payable for entry clearance to the UK on a route with limited leave, which does not lead to settlement in the UK. However, in order to support the policy intent of the scheme and the delivery of the Government's pilot agreement on the prevention of dangerous journeys, eligible applicants have been exempted from paying the fee from 7 August using the discretionary power provided in Table 5.1.1 of Schedule 1 to the 2018 Fees Regulations.

5.6 The intention has been for this power to be used on an interim basis pending formalisation of the arrangement through an amendment to the 2018 Fees Regulations.

This instrument introduces a specific fee exemption for qualifying individuals under Appendix UK/European Applicant Transfer Scheme to the Immigration Rules, with the new provision coming into force from 11 November 2025.

**Fee exemption: Partner or child of stateless persons**

5.7 Before January 2024 the application fee was exempted for stateless persons, their partners and children to apply for leave to enter or remain and settlement on the statelessness route. However, a change to the Immigration Rules in January 2024 amended the route for stateless persons, their partners and children. Under this change, partners and children of stateless persons who were overseas, or in the UK and not stateless in their own right, were required to apply under the family route set out in Appendix FM, rather than under Appendix Statelessness to the Immigration Rules (Statement of Changes to the Immigration Rules, HC 246, 7 December 2023). As a result, the fee exemption was also amended, and those family members applying under the family route became subject to the standard application fee from 31 January 2024 (SI 2023 No.1359, laid before Parliament on 23 December 2023).

5.8 Having reviewed the position following a legal challenge which quashed the changes in the Immigration Rules, in respect of their application to dependant family members, further changes are subsequently made to the Immigration Rules in October 2025. These enable a partner or child of a stateless person to apply under Appendix Statelessness to join or remain with a sponsor who is applying for, or has been granted permission to stay as a stateless person in the UK – provided that the relationship with their partner was formed before the grant of permission to stay in the UK as a stateless person (Statement of Changes to the Immigration Rules, HC 1333, 14 October 2025).

5.9 To align with this change, this instrument amends the 2018 Fees Regulations to extend the fee exemption to a partner or child who is eligible to apply under the amended Appendix Statelessness. Further, a provision is made to exempt the fee for a partner or child of stateless persons who are outside the UK and apply for entry clearance to join a stateless person in the UK under the amended Appendix Statelessness. Those with permission under transitional arrangements in Part 14 of the Immigration Rules will continue to be exempt from paying a fee under Appendix Statelessness. However, partners or children of stateless persons whose relationship with the stateless person was formed after the grant of permission to stay in the UK as a stateless person, and who are not eligible under Appendix Statelessness must continue to apply under the family route (Appendix FM to Immigration Rules) and will remain subject to payment of an application fee.

**Fee exemption: Afghan Relocations and Assistance Policy**

5.10 The Afghan Relocations and Assistance Policy (ARAP) is for Afghan citizens who worked for or with the UK Government in Afghanistan in exposed or meaningful roles and may include an offer of relocation to the UK for those deemed eligible by the Ministry of Defence (MoD) and who are deemed suitable by the Home Office. Having fulfilled its original purpose, the route was closed to new principal applicants from 1 July 2025 with certain exceptions for further applications in transit to be considered (Statement of Changes to the Immigration Rules, HC 997, 1 July 2025).

5.11 At present ARAP applicants (both main and dependants (including children)) are exempt from fees when applying from outside the UK for indefinite leave to enter, or within the UK for leave to remain and settlement.

5.12 This instrument amends the existing fee exemption provision by updating a cross reference to the amended Appendix ARAP in the Immigration Rules and deleting

references which are no longer relevant. The scope and operation of the existing fee exemption for eligible ARAP applicants remain unchanged. This is a technical amendment to align the fee exemption with the current Immigration Rules and does not constitute a change in policy.

**Amendments to premium service for sponsors**

5.13 Following an internal review certain changes are being made to the premium services offered to sponsors on work and study visa routes, which are optional services available on payment of an additional fee.

Closure of annual premium service package for sponsors

5.14 This service is currently offered to licensed sponsors on work visa routes, providing enhanced year-round support to the immigration process for employing overseas workers and temporary workers. The service will be discontinued as it has become less relevant and no longer offers the premium value it once did; since its introduction, the immigration system has seen several user-focused improvements, and alternative support channels within the Home Office have become more accessible to sponsors. A similar service for sponsors on the student visa route (including universities and schools/colleges) was closed in October 2023, without a negative impact on overall sponsor services. This change is being made with an aim to optimise usage of the department's resources by maintaining the customer service standards.

5.15 Accordingly, this service will cease for sponsors on work visa routes from 11 November 2025. This instrument removes the associated fees of £8,000 and £25,000 per annum from that date, as the service will no longer be available.

Premium service for expediting sponsor licence applications

5.16 This premium service is available to sponsors offering expedited processing of sponsor licence applications for an additional fee of £500, which is payable on top of the standard sponsor licence application fee (currently £1,579 for medium and large sponsors, and £574 for small and charitable sponsors). This instrument increases the premium service fee from £500 to £750. This fee has remained unchanged since its introduction in 2020, and the Home Office considers that the increased fee better reflects the benefits delivered by the service, while the additional income will also help to address wider costs in the migration and borders system.

Premium service for expediting sponsor applications for change of circumstances

5.17 This premium service provides expedited processing of requests from licensed sponsors to update details in the Sponsor Management System (SMS). The SMS is an online tool operated by the Home Office designed for the UK employers and educational establishments holding a sponsor license to manage their sponsored workers and students and compliance of obligations as a sponsor under the system. A request to change on SMS includes changes such as adding or amending authorised key personnel or representatives or updating organisational details. While there is no fee for submitting a standard Change of Circumstances application, sponsors opting for the expedited service are currently required to pay a fee of £200 per request. At present, this service is available only to sponsors on work visa routes.

5.18 This instrument extends the scope of the expedited service to sponsors on the student visa route and increases the fee from £200 to £350 per change request. Since the introduction of this service in 2017, the fee has not changed. The department considers that the increased fee better reflects the benefits delivered by the service, and it contributes towards the wider costs in the migration and borders systems.

5.19 In preparation for the forthcoming closure of the annual package of premium service for sponsors, appropriate operational arrangements have been made to inform closure of the annual premium service and ensure that the current annual subscriptions end on or before 11 November, thereby avoiding the need for refunds.

## 6. Legislative and Legal Context

***How has the law changed?***

6.1 The Immigration and Nationality (Fees) (Amendment) (No. 2) Regulations 2025 amend the Immigration and Nationality (Fees) Regulations 2018 in respect of the fees chargeable for immigration and nationality related applications and services, with the consent of the Treasury.

6.2 The introduction of new fee exemptions and amendments to the existing fee exemptions in this instrument are in exercise of the powers conferred by section 68(1), (7) and (10)(a) of the Immigration Act 2014 (c. 22). The increase in fees for premium services to sponsors as specified in this instrument are within the maximum limit in the Immigration and Nationality (Fees) Order 2016 for operating a scheme to access a range of premium services in connection with immigration or nationality, which is currently set at £40,000.

***Why was this approach taken to change the law?***

6.3 This is the only possible approach to make the necessary changes.

## 7. Consultation

***Summary of consultation outcome and methodology***

7.1 These Regulations have not been subject to a formal public consultation, as this would be disproportionate given the limited nature of the changes and the relatively small number of individuals affected. While the increase in premium service fees may result in higher costs for certain employers, these services remain optional, and the impact is therefore expected to be limited.

## 8. Applicable Guidance

8.1 The fee changes through this instrument will come into force on 11 November 2025. In relation to changes in fee exceptions, updated information and guidance for members of the public and staff will be published on the GOV.UK website when the changes take effect on 11 November 2025. The fee table on GOV.UK, which sets out all immigration and nationality fees, will be updated to reflect the revised premium service fees for sponsors on the date this instrument is laid.[1]

# Part Two: Impact and the Better Regulation Framework

## 9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because there is no significant direct impact on business (the changes in sponsorship premium service fees relate to optional services), nor a significant financial impact on the public sector.

9.2 The impact of the exemptions is likely to be negligible given the very low numbers that are likely to be affected. The increase in the premium service for sponsors is likely to

[1] https://www.gov.uk/government/publications/visa-regulations-revised-table

potentially affect in the region of 10,000 sponsors seeking to use the service, with an additional income of up to £5m. This charge for a service does not represent a cost to business as it is an optional charge.

***Impact on businesses, charities and voluntary bodies***

9.3 There is no, or no significant, impact on business, charities or voluntary bodies because the majority of the changes affect individuals applying for the relevant visa products and not business. For the change affecting sponsors, this is an optional premium service that does not directly or indirectly affect the regular cost of sponsorship.

9.4 The legislation does impact small or micro businesses, however the changes apply to businesses of all sizes, and so small or micro businesses are not disproportionately impacted.

9.5 There is no, or no significant, impact on the public sector because the anticipated volume of those eligible for fee exemptions are expected to be small.

## 10. Monitoring and review

***What is the approach to monitoring and reviewing this legislation?***

10.1 The approach to monitoring this legislation is that fees are kept under regular review. The Home Office has an ongoing programme of evaluation and will continue to monitor the impact of such policies in terms of live application data and collected revenue. This monitoring may include, for example, assessment of volumes and income relative to the estimates and historic trends.

10.2 The instrument does not include a statutory review clause and, in line with the requirements of the Small Business, Enterprise and Employment Act 2015, Mike Tapp MP, Minister for Migration and Citizenship at the Home Office has made the following statement:

"It is not appropriate in the circumstances to make provision for review. These Regulations are kept under regular review, and I am satisfied that these Regulations do not impact on small businesses".

# Part Three: Statements and Matters of Particular Interest to Parliament

## 11. Matters of special interest to Parliament

11.1 None.

## 12. European Convention on Human Rights

12.1 As the instrument is subject to negative procedure and does not amend primary legislation, no statement is required.

## 13. The Relevant European Union Acts

This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023 ("relevant European Union Acts).