

## Summary: Intervention & Options

Department /Agency:  
UK Border Agency

Title: Impact Assessment of Fee Changes for Settlement Routes, Long-Term Visitor Visas, Other visas, Leave to Remain in the UK as a dependent and Leave to Remain as a Tier 1 (Post Study) Migrant

Stage: Final

Version: 0.3

Date: 18 January 2010

Related Publications: Consultation on Charging for Immigration & Visa Applications, Earning the right to stay: A new points test for citizenship, The path to citizenship: next steps in reforming the immigration system.

Available to view or download at: [www.ukba.homeoffice.gov.uk](http://www.ukba.homeoffice.gov.uk)

Contact for enquiries: Charging Policy Team, Vulcan House (Steel), Sheffield, PO Box 3468, S3 8NU.

### What is the problem under consideration? Why is government intervention necessary?

Economic circumstances means that it is harder to predict the numbers of migrants that will apply to come to the UK. Continuing to offer these fees at current levels carries an increased risk that the UK Border Agency may not recover costs, increasing the burden on the UK taxpayer, and reducing the Agency's ability to secure the border and control migration for the benefit of the UK.

### What are the policy objectives and the intended effects?

The Government's charging policy objectives are:

- That those who benefit directly from our immigration system (migrants, employers and educational institutions) should contribute to the costs of the system and share the burden with the taxpayer;
- That we align more of our In UK and overseas fees; and
- That we keep our fees fair, sustainable and competitive.

The specific objective for the fees covered in this impact assessment is that applicants should pay more than the administrative cost of their application in recognition of the benefits they receive from that application. The revenue generated is used to fund the wider immigration system and to cross subsidise lower fees to support wider Government objectives (such as offering tourist visas below administrative cost in recognition of the economic benefits tourism brings to the UK).

### What policy options have been considered? Please justify any preferred option.

**Option 1:** Do Minimum, Retain current fee levels for settlement visas, 10 Year visit visas, Indefinite Leave to Remain and Leave to Remain as a Tier 1 (Post Study) Migrant.

**Option 2:** Increase the Settlement visa fee to £644. Increase the fee for settlement as a dependant relative to £1680. Increase the 'other' visa and 2 year visit visa fee to £230, the 5 year visit visa to £420 and the 10 year visit visa fee to £610. Set a fee for dependants applying to extend leave in the UK and increase the fee for Leave to Remain as a Tier 1 (Post Study) Migrant to £550.

The preferred option is option 2.

### When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?

We regularly review of volumes of applications against projected demand with the assumption of fee changes where necessary to reflect the cost changes or significant demand impacts.

### Ministerial Sign-off For Implementation Stage Impact Assessments:

*I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options*

Signed by the responsible Minister:

Phil Woolas.....Date: 19/01/2010

## Summary: Analysis & Evidence

<b>Policy Option: 2</b>	<b>Description:</b> Increase the Settlement visa fee to £644. Increase the fee for settlement as a dependant relative to £1680. Increase the 'other' visa and 2 year visit visa fee to £230, the 5 year visit visa to £420 and the 10 year visit visa fee to £610. Set a fee for dependants applying to extend leave in the UK and increase the fee for Leave to Remain as a Tier 1 (Post Study) Migrant to £550.
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<b>COSTS</b>	<b>ANNUAL COSTS</b>	Description and scale of <b>key monetised costs</b> by 'main affected groups'. The economy will lose £36.6m (PV) in output and income from a reduction in the numbers of migrants coming or remaining in the UK to work, study and visit. UKBA will lose £1.4m (PV) from a net decrease in the volume of applications as a result of fee changes.
	<b>One-off</b> (Transition) <span style="float: right;"><b>Yrs</b></span>	
	£ <span style="float: right;">5</span>	
	<b>Average Annual Cost</b> (excluding one-off)	
	<b>£ 8.1m</b>	<b>Total Cost (PV) £ 38.0m</b>
Other <b>key non-monetised costs</b> by 'main affected groups' Risks to UK economy of significant impact on volumes		

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>	Description and scale of <b>key monetised benefits</b> by 'main affected groups' Higher immigration and visa fees will increase fee income to the UK from those that still apply to come to the UK
	<b>One-off</b> <span style="float: right;"><b>Yrs</b></span>	
	£ <span style="float: right;">5</span>	
	<b>Average Annual Benefit</b> (excluding one-off)	
	<b>£ 31.5m</b>	<b>Total Benefit (PV) £ 147.3</b>
Other <b>key non-monetised benefits</b> by 'main affected groups' Reduction in the costs associated with transitional impacts of migration		

**Key Assumptions/Sensitivities/Risks** Wage elasticity of labour supply of 0.5 for PBS routes Tiers 1, 2 and 5; and airfare elasticity of -0.46 for long term (10 years) UK Visitor visa route were used to estimate the likely decrease in numbers of applications as a consequence of the proposed fee increases. The range used below is -2.0 to 0 based on price and wage elasticities.

Price Base Year 2010	Time Period Years 5	<b>Net Benefit Range (NPV)</b> <b>£ +97.7m to +147.5m</b>	<b>NET BENEFIT (NPV Best estimate)</b> <b>£ 109.2m</b>
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What is the geographic coverage of the policy/option?		Worldwide		
On what date will the policy be implemented?		April 2010		
Which organisation(s) will enforce the policy?		UK Border Agency		
What is the total annual cost of enforcement for these organisations?		£0		
Does enforcement comply with Hampton principles?		Yes		
Will implementation go beyond minimum EU requirements?		N/A		
What is the value of the proposed offsetting measure per year?		£0		
What is the value of changes in greenhouse gas emissions?		£0		
Will the proposal have a significant impact on competition?		No		
Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium	Large
Are any of these organisations exempt?	No	No	N/A	N/A

<b>Impact on Admin Burdens Baseline</b> (2005 Prices)		(Increase - Decrease)	
Increase of	£ 0	Decrease of	£ 0
		<b>Net Impact</b>	<b>£ 0</b>

Key: Annual costs and benefits: Constant Prices (Net) Present Value

# Evidence Base (for summary sheets)

## 1. BACKGROUND

The UK Border Agency was established in April 2008 to create a strong new force at the border by bringing together immigration, customs and visa checks to strengthen the UK Borders. We want the UK to stay open and attractive for both business and visitors, but at the same time we are determined to deliver a system of border control which is among the strongest in the world.

We are all familiar with the high public interest which surrounds immigration as a whole and this is only right. Increased flows of people around the world make securing our border one of our toughest challenges. There is widespread acceptance that migration is a key factor in our economic growth but also concern about the possible impact on public services and communities.

We have made substantial progress in recent years in meeting the challenges posed by migration. The introduction of the Points Based System (PBS) allows us to operate a flexible migration system to the benefit of the UK. PBS helps us support employers who comply with the rules, and targets those who abuse them. PBS also encourages the Government policy to up-skill resident workers and only bring skilled migrant workers where an employer has carried out a resident labour market test or the job is on the shortage occupation list, as identified by the Migration Advisory Committee.

Securing our border and controlling migration for the benefit of the UK costs approximately **£2 billion** per annum. We believe it is right that those who use the system make an appropriate contribution to meeting these costs, to help manage the burden on the UK taxpayer, and recover a contribution through the fees

We set application fees based on a number of factors, working within strict financial limits agreed with HM Treasury and Parliament. We currently set fees flexibly. Some fees are set above the cost of delivery, to reflect the value of the product. Charging above the cost of delivery helps to raise the revenue required to fund the overall immigration system and cross-subsidise fees below cost for certain other immigration routes where a lower fee supports wider government objectives (e.g. a lower short term visit visa fee to support tourism).

In response to our recent consultation on Charging for Immigration and Visa applications, an overwhelming majority of respondents who replied (over 90%) agreed that UK Border Agency should continue to set fees flexibly by taking into account wider policy objectives, such as attracting specific groups of migrants that are beneficial to the UK.

The consultation is published at:

<http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/consultations/closedconsultations/charging09/>

## 2. RATIONALE FOR GOVERNMENT INTERVENTION

We want to make sure that the charging system as a whole continues to contribute towards the costs of running the immigration system, however, in the current economic climate it is harder to predict the numbers of migrants that will apply to come to the UK. This increases risk to the Agency, and maintaining fees at current levels would not allow us to fully support the immigration system, maintain public confidence, and ensure that migration is managed for the benefit of the UK. We also need to manage the risk to UK Border Agency's income so that the burden on the taxpayer does not increase. We have considered a number of fee options to reduce the risk.

## 3. POLICY OBJECTIVES

The Government's policy objectives on charging for immigration are:

- That those who benefit directly from our immigration system (migrants, employers and educational institutions) should contribute to the costs of the system and share the burden with the taxpayer;

- That we align more of our In UK and overseas fees; and
- That we keep our fees fair, sustainable and competitive.

This Impact Assessment examines the costs and benefits of the different options considered for the fees for:

Settlement Routes

Long Term Visit Visas

Other Visas

Dependants applying to extend their Leave to Remain in the UK

Leave to Remain – Tier 1 (Post Study) Migrant

### **Settlement Routes**

We propose an increase to family settlement visa fee from £585 to £644. We have made this proposal to better align our fees for indefinite leave at the visa application stage, with those which we apply in the UK for ILR. This alignment also reflects the forthcoming move to probationary citizenship, where there will be a single, clear route for work and family migrants.

Where settlement visa applicants are not immediately granted indefinite leave, we still believe it is right to set the fee at this level. This reflects the benefits of an accelerated route to settlement under this category of visa, whereby the majority of applicants need not apply for further temporary leave to remain in the UK, before settlement. This fee will also better align with fees we charge on economic routes, where applicants pay separately for a visa and any further leave to remain in the UK.

Finally within the settlement category, we are proposing a new Dependent Relative fee of £1680. This is a relatively small group of people who receive an extremely good package of benefits (i.e. indefinite leave to enter, exemption from English language requirements etc.). We also recognise that many of the people who come to the UK under this route create a disproportionate impact on public services such as health and social welfare, and we think it is right that those benefits are reflected in the price. Setting the fee at this level aligns it with the end to end costs paid by other family relatives for routes to settlement, and meets our objective to align fees in and out of the UK.

### **Long Term Visit / Other visas**

We propose above-inflationary fee increases to the Long term visit visa. These allow applicants to make multiple visits to the UK within a 2, 5 or 10 year period. Applicants benefit from the convenience of not having to make multiple applications, each requiring their biometrics to be taken. We believe this route continues to offer excellent value to the customer. On 10 year (Long Term) Visit Visas, there is a larger increase from £500 to £610. An increase in volume demand this year (by approximately 70%), despite last year's price increases, supports this. If we are to continue to offer the product – which is unique in the international market - then we need to ensure it is priced correctly and so we are proposing to re-align it with what we charge for a 6 month, 2 year and 5 year visit visa. We believe that the appropriate level is £610: anything lower risks impacting significantly on the Agency's income in lost 'renewals' of shorter-term visit visas.

The 'Other' visa category includes dependants of applicants who entered under old employment visas, business visitors, parents of an EEA national child. The 'Other' visa fee still compares well to other visa routes. We propose an above inflationary increase from £215 to £230.

### **Dependants Applying to Extend their Leave in the UK.**

We propose a nominal 10% fee for all UK-based dependant applications. This new fee reconciles our UK-based application fee structure with those prices we apply for visas. Individuals applying from overseas (including dependants) pay a separate fee, and we wish to move to the same model in the UK, to reflect the fact that each individual within any given application bears a processing cost to us (as well as sometimes an independent set of entitlements for the individual). This is in line with our objective to align fees in and out of the UK.

## **Tier 1 Post Study**

We propose a £50 increase to the fee for Tier 1 post-study route, both in the UK and overseas.

We believe this increase better aligns this fee with that for other Tier 1 routes, where the entitlements (such as the ability to come and stay unsponsored, and unlimited access to the labour market) are most similar.

### **4. OPTIONS**

We have not considered options that increase fees payable by UK businesses. In the current economic circumstances, UK Border Agency wants to play its part by minimising the burden on UK businesses where possible.

The different immigration routes and the complexity of inter-related factors involved means that there are a number of ways this could be done within our flexible approach to charging. To keep this impact assessment workable, we have narrowed this scope to considering 2 options:

**Option 1:** Do Minimum, Retain current fee levels.

**Option 2:** Increase the Settlement visa fee to £644. Increase the fee for settlement as a dependant relative to £1680. Increase the 2 year and other visa fee to £230. Increase the 5 year visit visa to £420, and the 10 year visit visa fee to £610. Increase the fee for Leave to Remain as a Tier 1 (Post Study) Migrant to £550 and set a fee for dependants applying to extend leave in the UK.

The preferred option is option 2 as this will help reduce the level of risk to the UK Border Agency where the numbers of migrants applying to come to the UK is uncertain, and will also manage the burden on the taxpayer. The preferred option also meets the UK Border Agency's 3 Charging Policy objectives.

### **5. COSTS AND BENEFITS**

A model was developed to examine the **additional** costs and benefits to society and the economy of option 2 compared with option 1 over a five-year period (10/11 to 14/15). Option 1 is denoted as the 'do nothing' option with no additional costs and benefits and is the baseline used for comparison.

#### **5.1 Impact on Volumes**

The key impact of increasing fees to generate the fund will be that productive migrants will be deterred from coming to the UK. Initial modelling based on a number of uncertain assumptions has been used to estimate the potential impacts of additional fees on volumes of migrants willing to supply their labour to the UK, demanding to come to the UK for study purposes or deciding to come to the UK for a long-term visit.

Most of the fee changes under option 2 fall upon the dependent; so we assume zero economic loss in terms of output and income forgone to the UK economy from a reduction in the number of applicants. However, we still estimate expected annual earnings for the principal in order to calculate percentage change in dependent volumes given that we assume both the principal and dependent have similar elasticities i.e. the dependent is equally as responsive as the principal when it comes to price changes. This is because we assume the principal makes the ultimate decision on whether or not to apply for a UK visa or immigration product.

To work out the impact of additional fees on application volumes; elasticities were applied to the proposed routes. For the Long-term UK Visitor (10 year) visa route we used an airfare elasticity of demand of -0.46<sup>1</sup>; while for all other migrant routes a wage elasticity of labour supply of 0.5 is applied to the full expected wage during their stay in the UK, which is consistent with previous fee impact assessments. However, no empirical studies on the wage elasticity of migrant labour supply and price elasticity of high education to the UK have been found so general studies on these respective elasticities are used as an estimate.

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<sup>1</sup>Based on DfT study - UK Air Passenger Demand and CO2 Forecasts (2009)

## 5.2 Net Benefit

This results in a decrease in output of £38 million over 5 years but an increase in government revenue from outside the UK of £147 million (discounted by 3.5% a year). The NPV calculation is therefore +£109.2 million over 5 years. The NPV range of £97.7 to £147.5 is calculated using an elasticity range of -2.0 to 0 as indicated by available evidence in the annex to this assessment.

The key costs and benefits associated with option 2 are set out below:

### Key Costs and Benefits of Fee Increases

#### Key Monetised Costs

*To economy*

- **Reduction in fee income from deterred out of country immigration applications:** income to UK economy (UKBA) from overseas may be deterred as a result of fee increases  
Option 2: This is estimated at £303,976 for 2010/11 and £1.5m for the next five years.
- **Reduction in output from deterred migrants:** costs of lost productive output and income where migrants are deterred from coming to or remaining in the UK for work, study or visit.  
Option 2: This is estimated at £7.8m for 2010/11 and £39.2m for the next five years.

#### Key Non- Monetised Costs

- Risks to UK economy of significant impact on volumes

#### Key Monetised Benefits

*To economy*

- **Increased fee income to the UK:** higher immigration and visa fees will increase fee income to the UK from those that still apply to come to the UK  
Option 2: This is estimated at £31.5m for 2010/11 and £157.6 m for the next five years.

#### Key Non- Monetised Benefits

- Option 2: Public confidence in secure borders and that migration is controlled for the benefit of the UK.

Under option 2, there is a potential net benefit to the economy of £23.4 m in 2010/11 and £116.8m for the next five years (present value); exceeding the value of output lost from those who decide to no longer apply to come to the UK. Overall we expect volumes to decrease by approximately 1,023 for these routes in response to the rise in price.

**Table 1: Summary results of cost-benefit analysis**

	OPTION 2	
	2010/11	10/11-14/15
<b>Benefits</b>		
Net Revenue raised from fee changes for those who continue to apply:	£31,511,865	£157,559,323
<b>Total Benefits (PV)</b>	<b>£31,511,865</b>	<b>£147,254,944</b>
<b>Costs</b>		
Revenue from net decrease in the volume of applications as a result of fee changes:	-£303,976	-£1,519,882
Output loss from net decrease in migrants coming/ remaining in the UK:	-£7,843,188	-£39,215,942
<b>Total costs (PV)</b>	<b>-£8,147,165</b>	<b>-£38,071,701</b>
<b>Net benefit (PV)</b>	<b>£23,364,700</b>	<b>£109,183,243</b>

### Sensitivity Analysis

The key unknown variables are wage elasticity of labour supply, price elasticity of demand for higher education and airfare elasticity of demand. A literature review of empirical studies suggests a wide range of aggregate wage elasticity of labour supply from -0.1 to 1.1, price elasticity of higher education demand from -1.0 to -2.0 and airfare elasticity of demand ranging from -0.2 to -1.0 (see table 1 in the annex for further details). A lower bound price elasticity of -2.0 could result in 1130 and 5,650 fewer applications for option 2 in 10/11 and over the next five years respectively resulting in a decrease in net benefits (PV) to the economy of £2.5m and £12.3m respectively.

For consistency with previous Fee Impact Assessments, an upper bound of zero is used for the elasticity of labour supply and higher education demand. For option 2, this gives an expected net benefit of £147.5m over the next five years from the gain in revenue from overseas applications (there is no output loss).

## 6. MONITORING and EVALUATION

The effectiveness of the new regime would be monitored by the UKBA Charging Policy team and will cover in year checks of volumes and revenue, used to inform the annual review of fees.

## 7. FEEDBACK

Information gained from the monitoring process will be fed back into the annual review of fees.

## 8. OTHER SPECIFIC IMPACT TESTS

Having carefully considered the remaining specific impact tests, we believe that these proposals will have no significant discernable impact on these areas. The fees are not payable by UK businesses; they apply to migrants applying to come to the UK (not including EEA nationals or refugees).

## Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

**Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.**

Type of testing undertaken	<i>Results in Evidence Base?</i>	<i>Results annexed?</i>
Competition Assessment	No	No
Small Firms Impact Test	No	No
Legal Aid	No	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	No	No
Health Impact Assessment	No	No
Race Equality	No	No
Disability Equality	No	No
Gender Equality	No	No
Human Rights	No	No
Rural Proofing	No	No



# Annexes

**Table 1a: Empirical studies of the wage elasticity of labour supply**

Source	Estimate of wage elasticity of labour supply*	Measure
R. E Lucas and L. A. Rapping, "Real Wages, Employment and Inflation", <i>Journal of Political Economy</i> , 77 (1969).	Short run: 1.12 – 1.13 (95% significance) Long-run: -0.07 – 0.58	Change in real wages on labour supply using US data 1929-1965
Y. Chang and S. Kim, "On the aggregate labour supply", <i>Federal Reserve Bank of Richmond Economic Quarterly Volume 91/1 Winter 2005</i> .	1.0	Aggregate labour supply elasticity
L. Osberg and S. Phipps, "Labour Supply with Quantity Constraints: Estimates from a Large Sample of Canadian Workers", <i>Oxford Economic Papers, New Series, Vol. 45, No. 2. (Apr., 1993), pp. 269-291</i> .	Between +0.1 and -0.1	Wage elasticity of labour supply in the Canadian Labour Market
P. Bingley and G. Lanot, "The Incidence of Income Tax on Wages and Labour Supply", <i>National Centre for Register-based Research (NCRR), Version 5.002 31 October 2000</i>	-0.4	Elasticity of labour supply in the Danish Labour Market

\*Note that the estimated wage elasticity of labour supply includes negative values indicating backward sloping or backward bending labour supply curve. This is due to the income effect outweighing the substitution effect. For a higher wage, individuals can decrease labour supply and enjoy the same level of consumption.

**Table 1b: Empirical studies of the price elasticity of demand for education**

Source	Estimate of price elasticity of demand	Measure
Tuition Elasticity of the Demand for Higher Education among Current Students: A Pricing Model Glenn A. Bryan; Thomas W. Whipple The Journal of Higher Education, Vol. 66, No. 5. (Sep. - Oct., 1995), pp. 560-574.	Between -0.12 to -0.3	Elasticity of demand for HE in a small private liberal arts college in Ohio, from increases in tuition fees between \$6000 to \$8000
Campbell, R. and B. Siegel. "The Demand for Higher Education in the United States, 1919-1964." <i>American Economic Review</i> , (June, 1967), pp. 482-94.	-0.44	Aggregate demand for attendance in 4-year institutions in the US from 1927 – 63
Hight, J. "The Supply and Demand of Higher Education in the U.S.: The Public and Private Institutions Compared." Paper presented to the Econometric Society, December, 1970.	Between -1.058 and -0.6414	Used Campbell and Siegel's data and split up for public and private sectors
Hoenack, S., W. Weiler, and C. Orvis. "Cost-Related Tuition Policies and University Enrolments." mimeo., Management Information Division, University of Minnesota, 1973.	Between -1.811 to -.837	Private demand for the University of Minnesota, using longitudinal data from 1948-72.

**Table 1c: Empirical studies of the price elasticity for foreign visitors to the UK**

Source	Estimate of price elasticity of demand	Measure
DCMS commissioned report on Drivers of Tourism Demand to UK. Business visitors ( <i>Tourism Taxation</i> )	Tourist visitor and Transit visitor elasticity	-1.6
Gillen, Morrison & Stewart (2003) 'Air Travel Demand Elasticities: Concepts, issues & Measurement'.	Review of the economics and business literature on empirically-estimated own-price elasticities of demand for air travel for Canada and other major developed countries	-0.1 to -2.1
Dargay, J.M.; Hanly M. <i>The Demand for Air Travel in Great Britain (2001)</i>	Examine the effects of airfares on air travel demand using a dynamic econometric model relating air travel demand to real fares, income and other contributing factors	Leisure fare elasticity of -0.58
DfT UK Air Passenger Demand and CO <sub>2</sub> Forecasts (Jan 2009)	National demand is forecast, unconstrained by airport capacities, with the econometric National Air Passenger Demand Model	Air fare elasticity of -0.46 UK Leisure of -1.0 Foreign Leisure of -0.2

**Table 2: Estimated Impact on Volumes of Option 2**

<b>Application type</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<b>Visas</b>	Change in fee	Annual expected wage	Expected wage over leave entitlement	% change in expected wage (A/C)	% change in volumes (D*elasticity of labour supply)
Settlement Visa	£59	£5,578	£221,355	0.03%	-0.01%
Settlement Visa - Dependent Relative	£1,095	£0	£221,355	N/A	-0.25%
Visitor Visa - Long-Term (2 yr)	£15	£1,015	£2,120	0.79%	-0.36%
Visitor Visa - Long-Term (5 yr)	£20	£1,015	£5,301	0.41%	-0.19%
Visitor Visa - Long-Term (10 yr)	£110	£1,015	£10,602	1.09%	-0.50%
Visitor Visa - Other	£15	£0	£29,126	N/A	-0.02%
<b>UK-based Extensions of Leave</b>					
Indefinite Leave to Remain (ILR) - Dependent Relative	£860	£20,395	£781,210	0.01%	-0.01%
Tier 1 (Post Study) Postal	£50	£17,715	£36,999	0.14%	-0.07%
<b>Dependents - 10% of Main Applicant Fee (Non-PBS)</b>					
ILR Postal	£79	£0	£0	N/A	-0.01%
ILR Postal (CESC)	£72	£0	£0	N/A	0.00%
ILR PEO	£100	£0	£0	N/A	-0.01%
ILR PEO (CESC)	£89	£0	£0	N/A	-0.01%
ILR Dependant Relative (Postal)	£163	£0	£0	N/A	0.00%
ILR Dependant Relative (PEO)	£183	£0	£0	N/A	-0.01%
Leave to Remain Non Student Postal	£43	£0	£0	N/A	-0.01%
Leave to Remain Non Student PEO	£63	£0	£0	N/A	-0.01%
Transfer of Conditions Postal	£12	£0	£0	N/A	0.00%
Transfer of Conditions PEO	£48	£0	£0	N/A	-0.01%
Nationality 6(1) Joint	£66	£0	£0	N/A	0.00%
Nationality 6(2) Others	£61	£0	£0	N/A	0.00%
Nationality Registration Multiple Minors	£47	£0	£0	N/A	0.00%
<b>Dependents - 10% of Main Applicant Fee (PBS)</b>					
T1 (General) - Postal *	£79	£0	£0	N/A	-0.05%
T1 (General) - PEO *	£100	£0	£0	N/A	-0.06%
T1 (General/Entrepreneur) CESC Postal *	£72	£0	£0	N/A	-0.04%
T1 (General/Entrepreneur) CESC PEO *	£89	£0	£0	N/A	-0.05%
T1 (Invs or Ent) - Postal *	£79	£0	£0	N/A	-0.05%
T1 (Invs or Ent) - PEO *	£100	£0	£0	N/A	-0.06%
T1 (Post Study) - Postal	£50	£0	£0	N/A	-0.07%
T1 (Post Study) - PEO *	£70	£0	£0	N/A	-0.09%
Tier 1 (Transition) Postal*	£36	£0	£0	N/A	-0.02%
Tier 1 (Transition) PEO*	£56	£0	£0	N/A	-0.03%
T2 - Postal *	£43	£0	£0	N/A	-0.03%
T2 - PEO *	£63	£0	£0	N/A	-0.04%
T2 CESC Postal *	£38	£0	£0	N/A	-0.02%
T2 CESC PEO *	£57	£0	£0	N/A	-0.04%
T4 - Postal *	£31	£0	£0	N/A	-0.15%
T4 - PEO *	£53	£0	£0	N/A	-0.26%
T5 - Postal	£8	£0	£0	N/A	-0.10%
T5 - PEO	£48	£0	£0	N/A	-0.60%
T5 CESC Postal	£6	£0	£0	N/A	-0.08%
T5 CESC PEO	£42	£0	£0	N/A	-0.53%

**Table 3 - Full results of Cost Benefit Analysis**

	2010/11	2011/12	2012/13	2013/14	2014/15	Total	Average
<b>Benefits</b>							
Net Revenue raised from fee changes for those who continue to apply	£31,511,865	£31,511,865	£31,511,865	£31,511,865	£31,511,865	<b>£157,559,323</b>	£31,511,865
<b>Total Benefits (PV)</b>	£31,511,865	£30,446,764	£29,416,326	£28,420,551	£27,459,439	<b>£147,254,944</b>	£29,450,989
<b>Costs</b>							
Revenue from net decrease in the volume of applications as a result of fee changes	-£303,976	-£303,976	-£303,976	-£303,976	-£303,976	<b>-£1,519,882</b>	-£303,976
Output loss from net decrease in migrants coming/ remaining in the UK	-£7,843,188	-£7,843,188	-£7,843,188	-£7,843,188	-£7,843,188	<b>-£39,215,942</b>	-£7,843,188
<b>Total costs (PV)</b>	-£8,147,165	-£7,871,791	-£7,605,378	-£7,347,928	-£7,099,439	<b>-£38,071,701</b>	-£7,614,340
<b>Net benefit (PV)</b>	£23,364,700	£22,574,973	£21,810,947	£21,072,623	£20,360,000	<b>£109,183,243</b>	£21,836,649