



**BRIEFING PAPER**

Number CBP 7274, 18 June 2020

# The Immigration Health Surcharge

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## Summary

Most non-EEA nationals applying for temporary leave to remain in the UK are required to pay an 'Immigration Health Surcharge' (IHS) in addition to the visa application fee.

The purpose of the IHS is to “ensure that migrants make a proper financial contribution to the cost of their NHS care.”

The IHS must be paid to the Home Office during the visa application process. There is no scope to opt-out of paying the IHS by making alternative healthcare arrangements, such as through insurance cover.

Money raised from the charge goes to general government funds and is then distributed to devolved health administrations under the Barnett formula. Around 763,000 visas granted in 2019 attracted the IHS. It has raised around £900 million since it was introduced in 2015.

The IHS will also apply to EEA nationals moving to the UK after the end of the Brexit transition period (i.e. from January 2021).

### **How much is it?**

The actual amount that applicants must pay depends on the type and duration of the visa they (and any dependants) are applying for.

The regulations specify the annual charge per person. In January 2019 the charges as introduced were doubled to £400 per year (£300 for certain visa categories).

The IHS is scheduled to increase again in October 2020, to £624 per year (£470 for certain visa categories). The increase is intended to ensure that the IHS broadly reflects the full costs to the NHS of temporary migrants accessing NHS services.

From October 2020 all applicants under 18 will become subject to the lower rate. The Government says this is to ensure that the IHS “remains affordable for family groups”.

### **Recent controversy**

The charge has been controversial since its inception.

Successive Ministers have argued that the IHS remains competitive by international standards and is a good deal for temporary migrants, as well as benefitting NHS finances.

Some people object to the IHS on principle, arguing that it represents a double taxation for temporary migrants who, like other UK residents, already contribute to the NHS through regular taxes. Other common objections relate to how the IHS is applied in practice. For example, there is only limited scope for exemptions and no provision for payments by instalment.

The scheduling of a further increase to the IHS in October, and the Covid-19 pandemic, have raised the profile of the IHS again. In recent months there has been growing pressure on the Government to

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introduce an exemption for migrant workers in the health and social care sectors in particular.

Until 21 May, the Government's position was that this would not be appropriate. But, following an exchange with the Leader of Opposition at Prime Minister's Questions on 20 May, a change of policy was announced. A Government spokesperson stated that work would be undertaken to exempt NHS and care workers from the IHS as soon as possible.

In the meantime, NHS and care workers are still required to pay the IHS as part of the visa application process. However, refunds will be available for those who have paid the IHS since 21 May.

Some critics continue to press for further changes, such as extending the IHS exemption to other categories of "essential" worker, or simply abolishing the IHS for everyone.

A scheme launched by the Government a few weeks previously, to provide free automatic visa extensions for certain categories of frontline healthcare workers whose visas are due to expire before October 2020, remains in place. Those visa extensions are not subject to the IHS. The scheme does not cover social care workers, and NHS frontline support staff such as porters and cleaners.

### **Useful information sources**

[Official practical information about the IHS](#) is available from the [GOV.UK website](#). This includes details of which application categories are affected, how to pay, and online tools to enable applicants to calculate how much they will have to pay.

# 1. Legislation and policy

## 1.1 Legislative basis

The power to make regulations requiring certain categories of temporary migrant to pay an immigration health charge (commonly referred to as the Immigration Health Surcharge – IHS) derives from [section 38 of the \*Immigration Act 2014\*](#).

Temporary migrants must pay the IHS as part of the visa application process (rather than at the point of accessing NHS services, for example).

The detailed arrangements about the amount, consequences of non-payment, and scope to apply exemptions, reductions, waivers or refunds, are set out in the related regulations: the *Immigration (Health Charge) Order 2015*, SI 2015/792 (as amended, most recently by the *Immigration (Health Charge) Amendment Order 2018*, SI 2018/1389).<sup>1</sup>

Parliamentary scrutiny of the regulations is through the [affirmative procedure](#).

## 1.2 Why was it introduced?

A [Home Office news release](#) issued in March 2015 summarised the policy intention as to “ensure that migrants make a proper financial contribution to the cost of their NHS care”. Successive increases to the IHS (in 2019, and those scheduled for October 2020) have been justified on similar grounds. A [March 2020 impact assessment](#) for the increase due to take effect from October 2020 states:

The policy objective is to increase the surcharge to a level that reflects broadly the full cost of NHS services provided to those that pay it. This will help ensure the long-term sustainability of the NHS.<sup>2</sup>

Before the IHS existed, temporary non-EEA migrants had access to free NHS care soon after arrival in the UK. The Coalition Government considered that this was overly generous, and inconsistent with other conditions attached to their visas (notably no eligibility for welfare benefits or social housing).

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<sup>1</sup> Regulations making the changes scheduled to take effect from 1 October were laid before the House in draft form on 19 March: the [Immigration \(Health Charge\) \(Amendment\) Order 2020](#).

<sup>2</sup> Home Office, [Updating the Immigration Health Surcharge, 2020, IA HO0367](#), 12 March 2020, p. 4

## 2. Who must pay?

In general, non-European Economic Area (EEA) nationals (and any dependants) must pay the charge if:

- they are applying to come to the UK for longer than six months; or
- they are applying from within the UK for temporary permission to stay (including for stays of six months or less).

Visitors do not have to pay the charge. They can only stay in the UK for up to six months. Instead, they pay for healthcare at the point of access, should they need NHS treatment whilst in the UK.

People applying to stay in the UK permanently (i.e. for 'Indefinite Leave to Remain', sometimes referred to as 'settlement') do not have to pay the charge.

EEA citizens and family members resident in the UK under EU law before 31 December 2020 do not have to pay. The Government has said that EEA citizens coming to live in the UK from January 2021 (after the end of the Brexit transition period) will have to pay the IHS.

Broadly speaking, migrants who have paid the surcharge can access NHS services free of charge for the duration of their visa. They are subject to the same NHS charges as UK permanent residents (e.g. for prescriptions in England). Since August 2017, they have also been subject to charges for assisted conception services in England.

### 2.1 Grounds for exemptions, reductions, etc.

Section 6 of this briefing discusses recent announcements on introducing IHS exemptions for certain categories of workers, made in the context of the Covid-19 pandemic.

[Certain categories of applicant are exempt](#) from paying the surcharge but still have access to free NHS treatment. They include victims of slavery or trafficking, children taken into care, and dependants of armed forces personnel.

People sometimes ask if they can be exempted from the charge if they take out private medical insurance. The answer is no - people who don't fall into one of the exempt groups do not have a choice about whether to pay the IHS. If they do not pay the IHS they won't be issued with a visa.

The underpinning regulations give the Home Secretary discretion to reduce, waive or refund all or part of a charge.

Home Office policy is that **refunds** will be given if an application is refused or rejected as invalid. Partial refunds will be given if a visa is granted for a shorter length of time than was paid for.

The Home Office's [fee waiver policy](#), which applies to human rights-based and certain other specified categories of application, sets out the

scope for **reductions or waivers** of the charge. In short, evidence of destitution or “exceptional financial circumstances” is required. There is ongoing legal action related to the Home Office’s fee waiver policy.<sup>3</sup>

## 2.2 How many people are subject to the charge?

As above, broadly speaking, all non-EEA/EU nationals applying for a temporary visa (excluding tourists and visitors) are liable to pay the IHS. Those who are exempt tend to be applying for leave to remain via routes outside of the main, tiered immigration system.

In its March 2020 [impact assessment of raising the IHS](#) (p.5), the Home Office provided some forecasted figures of the number of people it expects to pay the IHS in 2020/21 (note that it did not take into account the impact of coronavirus on migration flows).

Using this as an indicator of who pays the charge, the equivalent figures for 2019 and previous years can be found in tables [Vis 01](#) and [Exe D01](#) of the Home Office’s Immigration Statistics. The 2019 figures are extracted in the table below. This shows that around 763,000 visas granted in 2019 attracted the IHS.

| <b>GRANTS OF VISAS IN 2019 WHICH ATTRACTED THE IMMIGRATION HEALTH SURCHARGE</b> |                |
|---|----------------|
| By visa category  |                |
|   | Visas granted  |
| <b>Out of country</b>   |                |
| Tier 1 (High skilled work)  | 5,664          |
| Tier 2 (Skilled work)   | 113,958        |
| Tier 4 (Study)  | 285,508        |
| Tier 5 (Youth mobility and temporary)   | 43,576         |
| Family  | 56,647         |
| <b>In-country</b>   |                |
| Tier 1 (High skilled work)  | 6,353          |
| Tier 2 (Skilled work)   | 89,300         |
| Tier 4 (Study)  | 45,339         |
| Tier 5 (Youth mobility and temporary)   | 1,718          |
| Family  | 115,180        |
| <b>Total</b>  | <b>763,243</b> |

Source: Home Office, [Immigration statistics quarterly: year ending December 2019](#), tables Vis\_01 and Exe\_D01

Given that people are expected to pay the IHS upfront for the full duration of their visa, there will also be people who were granted a multi-year visa in a previous year and therefore paid for 2019 *in advance*.

For example, someone granted a 5-year visa in 2018 would, at that point, pay the IHS for all of those five years at once and therefore 2019

<sup>3</sup> [R \(Dzineku-Liggison\) v SSHD, JR/2249/2019](#)

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would already be paid for by the time it came around. We have no way of counting how many people this applies to since the publicly available data does not include visa length.

Similarly, it is not possible to identify the number of people who are subject to the IHS broken down by occupation sector.

## 3. How much is it?

The IHS has increased significantly compared to the rate charged when it first came into effect in 2015 (£200 per person per year /£150 for specified categories of applicant).

### 3.1 Current rate

The regulations specify the annual charge per person. The actual amount that applicants must pay depends on the type and duration of the visa they (and any dependants) are applying for.

In January 2019 the charges as introduced were doubled to:

- £300 per year for international students and their dependants
- £300 per year for Tier 5 (Youth Mobility Scheme) Temporary Migrants
- £400 per year for all other applicants

In practice, most temporary immigration categories (e.g. student, skilled worker, family member) give permission to stay for longer than one year, so the amount that migrants need to pay is usually higher than the figures quoted above. For example:

- A person applying for a five-year skilled worker visa for themselves and a dependant family member would be required to pay £4,000 for the IHS (plus visa fees of £1,220 per person/£928 for shortage occupations).

The IHS is charged at half the annual rate if leave to remain is granted for six months or less. But there is no reduction for visas between six months and a year's duration. For example:

- People applying from overseas for a partner visa are usually granted 33 months' (2.8 years) leave to enter, so are charged three times the annual IHS (£1200) initially. When they come to renew their visa for a further 2.5 years, they pay a slightly lower amount for the IHS (£1000), to reflect the partial year.

The charge must be paid in full at the point of applying for a visa. Sponsoring employers may cover the costs of the IHS (and other visa fees associated with sponsoring migrant workers) but there is no obligation to do so.

### 3.2 How is the charge calculated?

Successive governments have intended the IHS to reflect the range of health services available to migrants in the UK, as well as the need to ensure that the UK remains an attractive destination for the "brightest and best" migrants.<sup>4</sup>

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<sup>4</sup> Home Office, *News*, '[Migrant 'health surcharge' to raise £200 million a year](#)', 19 March 2015

The 2019 increase was prompted by a 2018 Department of Health review, which found that the average annual cost to the NHS in England of treating migrants subject to the charge was around £480.<sup>5</sup> It was justified on the basis that it would bring the charge closer into line with the actual costs to the NHS of treating temporary migrants, whilst still remaining below full cost recovery level (and the amount which had been signalled in the Conservative Party's 2017 general election manifesto - £600/£450 for students).<sup>6</sup>

The Government has used a similar approach to calculate a further increase to the IHS scheduled for October 2020 (discussed in section 3.3 below). The accompanying impact assessment published in March 2020 explains:

In April 2019, the Department of Health and Social Care (DHSC) reviewed the cost to the NHS using 2017/18 NHS England data, of treating those who pay the surcharge and estimated that the NHS spent on average £625 (rounded down to £624 for operational reasons), per surcharge payer per year<sup>1</sup>.

The DHSC did produce a more up-to-date estimate of cost-recovery using 2018/19 NHS England data of £646. This analysis looked at data on surcharge-payers who use the NHS and their length of stay in the UK between April 2015 and September 2019 inclusive, and estimated the NHS costs of treating the average IHS payer (with average length of stay in the UK) was £646 per year. This considered primary care (£180) and secondary care with some other services (£350) across all IHS payers (including those who did not access health services). The largest contributors to the increase in the health surcharge was accounting for increases in health care spending in line with the Long-term Plan (£80), as well as other miscellaneous costs such as admin (£40) that were not previously considered. The surcharge should reflect what IHS payers are expected to use during the years of their stay, and so the increase in health spending means that IHS payers are benefiting from this additional increase, and so should make a higher and fairer contribution.

Mindful of the need to ensure that the surcharge is not set above cost recovery level, the Government has decided to set the surcharge at the £624 rate per person, per year. Students, as well as those on the YMS, and all other children aged 17 years and under will receive a discounted rate, which will be increased to £470. The increased rate of the surcharge is likely to represent a slight under-estimate of the actual cost while better reflecting the costs to the NHS of treating those who pay it.

<sup>1</sup> The estimate is a weighted average across all surcharge payers, including those who use and those who do not use the healthcare services.<sup>7</sup>

### 3.3 Further increases due in October 2020

The March 2020 Budget confirmed that the Government intends to increase the IHS to £624 per year with effect from October 2020. The

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<sup>5</sup> A PQ answered in July 2019 gives some further details of the approach taken ([PQ 279372](#), answered 25 July 2019).

<sup>6</sup> Home Office, *Impact Assessment, Updating the Immigration Health Surcharge 2018*, IA HO0312, 3 July 2018

<sup>7</sup> Home Office, *Updating the Immigration Health Surcharge, 2020*, IA HO0367, 12 March 2020, p. 4

discounted rate will increase to £470 per year. It will be applied to all children under 18, in addition to the other categories of applicant currently eligible.

The IHS increase reflects a commitment in the Conservative Party's 2019 general election manifesto to increasing the health surcharge "to ensure it covers the full cost of use."<sup>8</sup>

As the explanatory memorandum to the draft 2020 regulations explains, the lower rate for all applicants under 18 is intended to ensure that IHS "remains affordable for family groups":

7.5 The Government is mindful of the fact that the health charge has a greater financial impact on family groups than individual applicants. This is because the charge applies to both applicant and dependants, and the amount payable is calculated with reference to the length of leave granted. By way of illustration and using the current surcharge rate (£400), an individual applicant seeking to enter the UK for two years would pay a health charge of £800 (£400 x 2 years). A family of four, seeking the same length of leave would pay a health charge of £3,200 (£400 x 4 applicants x 2 years).

7.6 Whilst it is right that migrants contribute to the cost of the NHS services that are available to them, the Government is committed to ensuring the health charge remains affordable for family groups. Consequently, the amount of the charge for children under the age of 18 at the date of their application will be set at £470, bringing them into line with the health charge rate for students and the Youth Mobility Scheme.

7.7 Whilst the new discount for children will mean that overall surcharge income will remain below cost recovery level relative to the current policy of charging a flat rate, the Government believes this is outweighed by the importance of supporting families, some of whom may be paying the surcharge for a number of years.

7.8 This increase, to the level that broadly reflects the full cost of NHS services provided to those that pay it, will help ensure the long-term sustainability of the NHS. The Secretary of State has also considered other matters, such as the need to ensure the UK remains competitive as a place for skilled workers and international students to come and has concluded that this change best meets the Government's policy objectives.

Regulations making the changes scheduled to take effect from 1 October were laid before the House in draft form on 19 March: the [\*Immigration \(Health Charge\) \(Amendment\) Order 2020\*](#).

The Government also intends that EEA nationals who come to the UK as temporary migrants from January 2021 will be required to pay the IHS.

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<sup>8</sup> [\*The Conservative and Unionist Party Manifesto 2019\*](#), p.23

## 4. Money raised

### 4.1 How much money does the IHS raise?

At Prime Minister's Questions on 20 May, the Prime Minister said that the IHS payments "raise about £900 million".<sup>9</sup>

The Prime Minister was not clear about the timescale for his figure, but £900 million is in line with a recent figure attributed to the Home Office by the Guardian (and others) for the total revenue from the IHS over the last 4 years (2015 – 2018-19), i.e. since its inception.<sup>10</sup>

This figure agrees with data reported for total income from the IHS shown in Home Office Accounts for those years:

| HOME OFFICE INCOME FROM THE IMMIGRATION HEALTH SURCHARGE |             |
|--|-------------|
| Year   | £ thousands |
| 2015/16  | 169.1       |
| 2016/17  | 210.2       |
| 2017/18  | 240.5       |
| 2018/19  | 297.9       |
| Total 15/16 to 18/19                                     | 917.7       |

Source: [Home Office Annual Report and Accounts](#) 2015/16 to 2018/19

NHS revenue from the IHS has been reported as broadly in line with the figures above, growing from £164 million in 2015/16 to £290 million in 2018/19.<sup>11</sup>

When the charge was first introduced, the then Government anticipated that it would raise around £200 million per year for the NHS. Doubling the charges in 2019 was calculated to raise a possible additional £220 million a year. The Government has previously calculated that the changes due to take effect from October 2020 would raise an additional £150 million in 2020-21, and an additional £355 million in each of the following two years.<sup>12</sup> However, these figures will need to be adjusted if the Government exempts NHS and healthcare staff from the IHS, as has recently been announced (see section 6.1 of this briefing), and if there is a significant change in visa application numbers.

<sup>9</sup> [HC Deb 20 May 2020 c568](#)

<sup>10</sup> *The Guardian*, '[Home Office failure to scrap NHS migrant surcharge sparks anger](#)', 16 May 2020

<sup>11</sup> Home Office, *Impact Assessment, Updating the Immigration Health Surcharge 2018*, IA HO0312, 3 July 2018, p.4; Home Office, [Updating the Immigration Health Surcharge, 2020, IA HO0367](#), 12 March 2020, p. 4

<sup>12</sup> HM Treasury, [Budget 2020: policy costings](#), March 2020

## 4.2 How is the money spent?

As detailed in the impact assessment for the 2020 regulations, money raised from the charge goes to general government funds and is then distributed to devolved health administrations:

Income from the surcharge, minus an amount the Home Office retains to cover its costs, is distributed between the devolved health administrations for health spending purposes under the Barnett Formula. NHS revenue for the UK from the surcharge was £290 million in 2018/19.<sup>13</sup>

The Government does not keep central records of how NHS revenue from the IHS is subsequently distributed:

**Q** Asked by [Lord Kennedy of Southwark](#)

Asked on: 13 November 2017

**Department of Health**

**Health Services: Immigrants**

To ask Her Majesty's Government what assessment they have made of the distribution of funding received through the Immigration Health Surcharge; and whether the distribution of that funding is linked to specific migration-related impacts for each NHS authority in England.

**A** Answered by: [Lord O'Shaughnessy](#)

Answered on: 27 November 2017

The Department does not collect this information centrally. NHS England advises that funding allocation formulae include no specific assessment of migration-related impacts, although they do take account of the overall size of the local population.<sup>14</sup>

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<sup>13</sup> Home Office, [Updating the Immigration Health Surcharge, 2020, IA HO0367](#), 12 March 2020, p.3-4

<sup>14</sup> [HL3112](#) [on Health Service: Immigrants], answered on 27 November 2017

## 5. Arguments for and against the charge

Successive Ministers have maintained that the IHS is a good deal for temporary migrants, and highlighted the benefits to temporary migrants and the NHS:

The surcharge provides comprehensive access to NHS services regardless of the amount of care needed during a person's time in the UK, and includes treatment for pre-existing conditions. This represents excellent value when compared to the alternatives and ensures that individuals do not need to worry about insurance or pay for unexpected treatment whilst they are here. The surcharge also reduces the administrative burden on the NHS frontline associated with identifying chargeable patients and recovering charges.<sup>15</sup>

The Government maintains that the proposed £624 annual charge remains "competitive" compared to potential costs in other countries:

The level of the Immigration Health Surcharge will remain competitive by international standards. Whilst it is difficult to compare across health care systems, due to the different types of cover they offer, recent internal analysis by DHSC suggests that immigrants travelling to the US and other European countries would be required to pay significantly higher charges per year for healthcare coverage.<sup>16</sup>

But some stakeholders contend that the additional burden of paying the IHS may act as a deterrent to migrant workers that the UK needs, such as nurses.<sup>17</sup> During the 2019 general election campaign, the Government pledged to create an 'NHS visa' for migrants coming to work in the NHS. It hasn't yet announced further details about this. According to some reports this would include permission to pay the IHS in instalments through salary deductions.<sup>18</sup>

Some people object to the IHS on principle, arguing that the charge represents a double taxation for temporary migrants who, like other UK residents, already contribute to the NHS through regular taxes. It has been suggested that it would be more accurately described as a "levy" on visa applicants, rather than a "charge", considering the way it is applied.

Other common objections relate to how the IHS is applied in practice. For example:

- Whether certain occupational groups should be exempt – e.g. NHS staff, teachers.

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<sup>15</sup> [PQ 248608](#), answered 8 May 2019

<sup>16</sup> Home Office, [Updating the Immigration Health Surcharge, 2020, IA HO0367](#), 12 March 2020, p. 4

<sup>17</sup> RCN, [press release, 'RCN calculates IHS Freedom Day' for eight different nursing bands](#), 11 December 2019

<sup>18</sup> ITV News, ['Johnson unveils 'NHS visa' to attract top medical talent to UK'](#), 8 November 2019

- The amount charged, and cumulative impact of the IHS and application fees on certain categories of applicant – e.g. lower-paid migrants; people in visa categories that require multiple applications for temporary leave before becoming eligible for indefinite leave to remain.
- The absence of flexibility over how and when the charge must be paid, and the high threshold for satisfying the fee waiver policy.

Many of the arguments for and against the IHS, and issues related to how it is applied, were aired in debate on the 2018 regulations.<sup>19</sup>

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<sup>19</sup> [HL Deb 28 November 2018 c634-655](#)

## 6. Coronavirus: IHS exemptions for essential workers

Calls to exempt NHS workers (in particular) from the IHS pre-date the Covid-19 pandemic but have gained traction over the past few months.<sup>20</sup>

The Government recently signalled a change of policy in respect of permanently exempting health and social care professionals from the IHS.

### 6.1 General IHS exemption for health and care professionals

Until 21 May, the Government's position was that migrant workers in the health and social care sectors should not be exempt from the IHS.

When the issue was raised during the daily coronavirus press conference on 25 April, the Home Secretary said that the IHS was one of a range of measures that the Home Office was keeping under review to support frontline NHS workers and in recognition of the contribution that migrant healthcare workers have made to the response to the Covid-19 pandemic.<sup>21</sup>

The Home Office subsequently denied that Priti Patel had committed to undertaking a formal review of the charge.<sup>22</sup> The Government continued to defend the charge. For example, the Home Secretary argued in mid-May that "it would not be fair" to exempt NHS and care workers from the IHS "particularly as other essential public workers are also required to pay the charge, such as teachers".<sup>23</sup>

The Leader of the Opposition, Sir Keir Starmer, challenged the Prime Minister on the Government's policy on the IHS at Prime Minister's Questions on 20 May:

Keir Starmer

(...) Every Thursday, we go out and clap for our carers. Many of them are risking their lives for the sake of all of us. Does the Prime Minister think it is right that careworkers coming from abroad and working on our frontline should have to pay a surcharge of hundreds, sometimes thousands of pounds to use the NHS themselves?

The Prime Minister

I have thought a great deal about this, and I accept and understand the difficulties faced by our amazing NHS staff. Like the right hon. and learned Gentleman, I have been a personal

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<sup>20</sup> *The Independent*, ['Hike to immigration health surcharge will 'penalise' NHS workers from overseas, campaigners say'](#), 12 March 2020

<sup>21</sup> *The Independent*, ['Huge 'immigration health surcharge' fees paid by foreign NHS workers being reviewed, Priti Patel says](#), 25 April 2020

<sup>22</sup> Twitter, 16 May 2020: <https://twitter.com/ukhomeoffice/status/1261652933495717890>

<sup>23</sup> Home Affairs Committee, [Letter from Home Secretary dated 14 May 2020](#)

beneficiary of carers who have come from abroad and frankly saved my life. I know exactly the importance of what he asks. On the other hand, we must look at the realities. This is a great national service—it is a national institution—that needs funding, and those contributions help us to raise about £900 million. It is very difficult in the current circumstances to find alternative sources, so with great respect for the right hon. and learned Gentleman's point, I think it is the right way forward.<sup>24</sup>

Keir Starmer went on to announce that Labour would table an amendment to the [\*Immigration and Social Security Co-ordination \(EU Withdrawal\) Bill 2019-21\*](#) to exempt NHS and care workers from the IHS. There were early signs of cross-party support for the amendment.

The following day, a Government spokesperson confirmed that the Prime Minister had requested the Home Office and Department of Health and Social Care to work to remove the IHS for NHS and care workers as soon as possible.<sup>25</sup>

The Government hasn't yet announced details of the exemptions. Questions have been raised about how the Home Office will be able fairly to identify which applicants should be exempt from the charge, considering the range of visa categories they may be applying under and that, in some circumstances, the charge will be payable before a person has secured employment in an exempt occupation.<sup>26</sup>

In the meantime, NHS and care workers are still required to pay the IHS as part of the visa application process. Keir Starmer raised the issue again at Prime Minister's Questions on 17 June, which prompted the Prime Minister to confirm that:

NHS or care workers who have paid the surcharge since 21 May will be refunded, and we are getting on with instituting the new arrangements as fast as we possibly can.<sup>27</sup>

It is likely that information about the scope of the exemptions, and how to request a refund, will be published on GOV.UK in due course.

## Cost

According to the House of Commons Library briefing paper on [NHS staff from overseas](#), there were around 102,000 non-EU workers in the NHS as of January 2020. There is no available information about what visas these individuals are on or whether they have been required to pay the IHS. It is likely that many will have indefinite leave to remain and not be subject to the charge.

Bearing this in mind, there could in theory be up to 102,000 people working in the NHS who are on visas that attract the IHS. As such, the

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<sup>24</sup> [HC Deb 20 May 2020 c568-9](#)

<sup>25</sup> [The Guardian](#), 'Johnson forced to drop NHS surcharge for migrant health workers', 21 May 2020

<sup>26</sup> E.g. Twitter, 21 May 2020: <https://twitter.com/MarleyAMorris/status/1263507203316727808>

<sup>27</sup> [HC Deb 17 June 2020 c799](#)

maximum cost per year of exempting NHS workers from the £400 IHS could be around £41 million. This is a speculative figure.<sup>28</sup>

Given that the IHS is paid upfront for the entire length of one's visa, the income generated in an individual year would not necessarily be the same as this figure – even assuming that all 102,000 are subject to the charge. The actual cost of the exemption would depend on the number of visas up for renewal, or being newly issued, in a particular year.

### Calls for further measures

Some critics of the IHS continue to press for further changes, such as extending the exemptions to other categories of “essential” worker, or simply abolishing the IHS for everyone.

Some people have suggested that, as a further measure to relieve burdens on the healthcare sector in particular, healthcare employers should be relieved of the obligation to pay the [Immigration Skills Charge](#) (ISC).<sup>29</sup>

## 6.2 Free visa extensions for certain frontline healthcare professionals

Separately, certain frontline healthcare professionals (and their family members) whose visas are due to expire before October 2020 will have them automatically extended for a year, under a concession announced by the Home Office at the end of March 2020. The visa extensions will be free of charge and the IHS will not apply.<sup>30</sup>

The original Home Office announcement, on 31 March, said that this would apply to migrant doctors, nurses and paramedics employed by the NHS, and their family members.<sup>31</sup> The Home Office subsequently extended the scope of this scheme, so that it also applies to a range of other frontline healthcare professions, including biochemists, dental practitioners, medical radiographers, physiotherapists, psychologists and social workers.<sup>32</sup>

The Home Office estimates that around 3,000 frontline workers and their families will benefit from the measure.<sup>33</sup>

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<sup>28</sup> The previous version of this paper used the March 2019 figure of around 88,000 non-EU NHS staff and the maximum cost per year of the IHS exemption at £35 million.

<sup>29</sup> Employers must pay the ISC for each sponsored migrant worker they employ in the Tier 2 General or Intra-Company Transfer visa categories. The amount payable depends on the length of the visa and size of the employer. The maximum amounts, incurred if sponsoring a migrant worker for five years, are £5,000 for medium or large sponsors/£1,820 for small or charitable sponsors.

<sup>30</sup> Home Office, *News*, '[NHS frontline workers visas extended so they can focus on fighting coronavirus](#)', 31 March 2020

<sup>31</sup> Home Office, *News*, '[NHS frontline workers visas extended so they can focus on fighting coronavirus](#)', 31 March 2020

<sup>32</sup> Home Office, *News*, '[Home Secretary announces visa extensions for frontline health and care workers](#)', 29 April 2020

<sup>33</sup> Home Office, *news*, '[Home Secretary announces visa extensions for frontline health and care workers](#)', 29 April 2020

The Home Office continues to receive calls to broaden the scope of the scheme further, to include migrant social care workers and other frontline support workers in the health/care sectors, such as cleaners, porters, and carers.<sup>34</sup> Thus far, it has resisted doing so, highlighting the potential difficulties of identifying migrant workers in the social care sector, and explaining that “The Government is showing its support and gratitude to this sector in a number of different ways”.<sup>35</sup>

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<sup>34</sup> Home Affairs Committee, [\*Letter to Home Secretary dated 22 May 2020\*](#)

<sup>35</sup> Home Affairs Committee, [\*Letter from Home Secretary dated 14 May 2020\*](#)

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