THE STUDENT VISA SYSTEM: PRINCIPLES TO REFORM





MillionPlus

The Association for Modern Universities



EXECUTIVE SUMMARY

Universities UK, GuildHE, MillionPlus, the Russell Group, University Alliance and UK Council for International Student Affairs (UKCISA) have identified five principles that should underpin the design of the new student visa route and several actions that must be taken to achieve this reform. These actions include improving the international student experience, reducing the administrative burden and increasing reliability, transparency and accountability of the immigration system.

BACKGROUND

Under the current immigration system universities wishing to recruit international (non-EEA) students must sponsor these students, requiring the university¹ and student to comply with a range of duties. In December 2018 the UK government published an Immigration White Paper announcing plans for a post-Brexit single visa route for all non-UK domiciled students. The White Paper outlined a commitment to streamlining the existing immigration system to develop more 'light touch' sponsorship procedures. The International Education Strategy published on 16 March 2019 reiterates this intention, stating that the government will '...keep the visa application process for international students under review, with the aim of improving the customer journey both for students and their sponsoring institutions'. The strategy's intention to strengthen the UK's visa offer for international students is central to achieving its ambition of growing the UK's education exports to £35 billion a year and increasing the number of international higher education (HE) students in the UK to 600,000 by 2030.

Together, the commitments in the Immigration White Paper and the International Education Strategy present an opportunity to rethink how the student visa system operates for universities and students. **Universities UK**, **GuildHE**, **MillionPlus**², the **Russell Group**³, **University Alliance** and **UKCISA** have identified five principles that should underpin the design of the new student visa route and a series of concrete actions to achieve this reform. This is intended as a first step toward the co-development of a new immigration system; one that enables international student growth while maintaining the current high levels of compliance.

PRINCIPLES FOR AN IMPROVED STUDENT VISA SYSTEM

- i. A new system must enable growth in international student numbers as outlined in the International Education Strategy.
- ii. The new process must be accessible for all international applicants, support a diverse range of applicants and improve student experience of the UK visa system.
- iii. The process should be cost-effective and simple to administer.

¹ This briefing refers to universities as all higher education providers as defined by the Home Office definition. However, other Tier 4 providers are also similarly affected by some of the issues presented in this briefing.

 ² <u>http://www.millionplus.ac.uk/documents/Policy briefing – A new system for student visas.pdf</u>
³ <u>https://russellgroup.ac.uk/media/5750/challenges-and-costs-of-the-uk-immigration-system-for-russell-group-universities.pdf</u>

- iv. The system and visa processes should be easy for students and sponsors to understand and navigate. They should be predictable, with consistent decision making and reliable advice issued by UK Visas and Immigration (UKVI).
- v. The new system must be fair, fully transparent and apply equally to all higher education providers.⁴

ACTIONS TO ACHIEVE THIS REFORM

1. Improve the international student experience

- i. Application: ease the bureaucratic process for applicants, remove duplication of providing information, phase out credibility interviews to use them only in exceptional circumstances, ensure visa costs are proportionate and internationally competitive and apply Appendix H provisions to all students.
- ii. Registration: eliminate police registration and phase out the use of Biometric Residence Permits (BRPs) with the advent of digital status. Digital status will offer advantages to sponsors and visa holders, but students should retain the right to obtain physical evidence of their leave from the Home Office if they so wish and the Home Office should ensure the digital status is designed to guard against future loss of evidence.
- Ongoing experience: ensure any attendance monitoring requirements do not encourage the differential treatment of international students on campus. Allow for in-country visa applications in all cases of course change and transition to work. Exclude agreed periods of leave due to personal circumstance from visa time limits, to ensure the international student experience is comparable to the UK student experience.
- iv. Communication: the system must enable the UK to send a welcoming message to prospective students. This should include better pre-application communication of the UK's education offer and visa information, so that international students understand visa procedures, post-graduation opportunities to find employment in the UK and how the visa rules benefit those switching from study to work visas.

2. Reduce the administrative burden

- v. Streamline and simplify bureaucratic procedures embedded in the system, removing duplication wherever possible. Actions include those highlighted as improving the international student experience as well as:
 - a. Reforming the Sponsor Management System
 - b. Reviewing the need for an academic progression requirement or considering ways to reduce the burden of this assessment
 - c. Streamlining processes around the Academic Technology Approval Scheme (ATAS)

⁴ <u>The Higher Education Statistics Agency</u> (HESA) gives the following definition of higher education provider: 'all publicly funded universities and other higher education institutions (HEIs) in the UK, alternative HE providers (APs) that offer HE courses but do not receive annual public funding, and further education colleges (FECs) in Wales which provide some HE level courses'.

- d. Ensuring that the rationale and mechanism for sponsor reporting requirements is transparent
- vi. Create a sponsorship system that is financially sustainable regardless of institutional size.

3. Increase reliability, transparency and accountability

- vii. Review the Basic Compliance Assessment to design an assessment framework that allows the Home Office to assess more accurately any cases of genuine abuse of the system while supporting institutions of all sizes to diversify their recruitment markets. This should include scrapping the arbitrary 10% refusal rate requirement.
- viii. Develop a regime that recognises the status of highly trusted sponsors.
 - ix. Ensure that UKVI decision making and processes are consistent and effective to increase reliability of advice and outcomes and reduce occurrence of visa processing delays.
 - x. Immigration rules and guidance should be clear, meaningful and accessible.

SUPPORTING EVIDENCE

International student experience

The 2019 QS survey of prospective international students found that 32% placed getting a study visa in their top five things that were most important to them and 59% chose a country that is welcoming to international students.⁵ An inadequate visa system can put prospective students off choosing a country as their study destination and can damage their experience while they're in the UK. Unfortunately, under the present immigration system applicants are often met with a service that is expensive and fails to function smoothly, with delays, contradictory communication and misleading application forms.⁶

UK visa fees for overseas students (£348 for the main applicant) are much higher than most competitor countries: only Australia has similar visa costs (£314), while in the US and Canada visa fees are considerably lower (£126 and £90 respectively).⁷ In the UK students also need to pay the Immigration Health Surcharge of £300 per year. This means that a student will face upfront costs of at least £1,248 and substantially more if they are bringing dependants.

Restrictions on in-country visa switching procedures add another unreasonable burden on students already in the UK: under the current system a student switching visas often needs to travel out of the country to reapply even for some simple course changes.

Moreover, the current policies regulating credibility interviews, attendance monitoring and the selection of countries on Appendix H fail to support diversity within the international student body. Credibility interviews were introduced by UKVI to ensure that only 'genuine students' are given a Tier 4 visa, but they have been criticised for their inadequacy in

⁵ Available at <u>https://www.internationalstudentsurvey.com/</u>

⁶ https://www.freemovement.org.uk/the-absolute-state-of-the-uk-visa-application-system/

⁷ For an exhaustive comparison with competitor countries refer to table 1 in the appendix

identifying Tier 4 applicants' educational credibility. A report by UKCISA⁸ found many instances of judgments being made based on arbitrary, subjective and personal questions that went beyond the stated terms of 'credibility'⁹. Credibility interviews can also negatively affect an applicant's student experience; the biased nature of the questions being asked can alienate students to the UK immigration system at this early stage, and a negative encounter with a government official can affect a student's mental health and performance depending on their perception of state authorities in their home country.

Attendance monitoring can also be perceived as unfair and harm international student experience. Over the past few months universities have expressed their opinions on the attendance monitoring policy as part of an ongoing Home Office consultation to reform the process, one of the recurring concerns regarded universities having to apply stricter attendance policies tailored to Tier 4 students, and the impact of this on student experience.

Administrative burden

The current system imposes a significant administrative burden on both institutions and the Home Office, which will increase if sponsorship is also required for EU students. Sponsorship requirements should be proportionate to the risk posed by incoming international students, especially given the high compliance rate of Tier 4 sponsors¹⁰. Universities UK and the Russell Group have conducted surveys among their members to estimate the yearly financial burden associated to sponsorship duties.

Universities UK conducted a survey asking members to fill out staff times and grades for tasks associated with Tier 4 compliance:

- 1. The overall cost of compliance for the sector was estimated at £40 million.
- 2. The most expensive task was the provision of qualified immigration advice to students and staff through Office of the Immigration Services Commissioners (OISCs), followed by procedures such as attendance monitoring, analysing and interpreting UKVI guidance and scanning and verifying student passports.
- 3. Survey estimates revealed that if EU students were added to the current visa system it would cost an additional £12.3 million in sponsorship duties to the sector during the first year of the new system alone.

The Russell Group commissioned Ernst and Young (EY) to analyse the costs associated with staff and student sponsorship across its institutions¹¹. Key findings included:

1. Russell Group universities spend on average £584,000 on staffing costs associated with Tier 4 governance activities and assisting with visa applications. This

⁸ <u>https://www.ukcisa.org.uk/Research--Policy/Resource-bank/resources/2/Tier-4-Credibility-Interviews-UKCISA-survey-report</u> (2013)

⁹ These included citing parental occupations to doubt credibility, or very detailed questions about the city that applicants wished to study in and why they did not choose another 'more prestigious' university.

¹⁰ <u>A Tier 4 pilot</u> conducted by UKVI on master students in selected universities revealed a compliance rate of 99%.

¹¹ <u>https://russellgroup.ac.uk/media/5750/challenges-and-costs-of-the-uk-immigration-system-for-russell-group-universities.pdf</u>

corresponds to an estimated £15.9 million annual cost for the group of 24 institutions. Note that this total does not include fees paid to UKVI.

- 2. The highest costs were those related to in-house application processes (£371,000 per institution). The most challenging and burdensome features of the current system that were cited by Russell Group universities included:
 - UKVI errors (including those associated with issuing BRPs)
 - Assessing academic progression and/or study time limits
 - UKVI processing times not meeting service standards and causing delays
 - The complexity of the immigration system, for employers and/or applicants
 - Police registration
 - Attendance monitoring
 - The ATAS
 - Refusals of Tier 4 visa applications
 - Lost or Stolen BRPs and the replacement process
 - Using the Sponsor Management System
- 3. This research by EY also looked at how much sponsorship costs would increase by in a future system if EU students required sponsorship and found these costs (including in-house staffing costs and UKVI fees) would increase by 21% by the end of 2022 to reach £860,000 per university and £21 million across the group.

Reliability, transparency and accountability

The structure of the Basic Compliance Assessment (BCA) poses a recruitment barrier to universities. At present much of the weight of compliance lies on the 10% refusal rate and exceeding this can lead to a licence to recruit international students *and* staff being revoked. Universities are thus judged on their compliance for a part of the process that they have limited involvement with, especially as credibility interviews are entirely subjective on the part of the caseworker; this discourages institutions from exploring international recruitment markets that are considered 'at risk' – ie nationalities that are perceived as having higher chances of being rejected during a visa application.

This issue becomes especially pressing for smaller institutions, who could see their visa withdrawn even if a small cohort of issued Confirmation of Acceptance of Studies (CAS) was rejected. As a result, these institutions act with enormous caution in many parts of the world, or even scale back from overseas operations in some cases. A survey conducted by GuildHE among its members shows that these concerns are shared by smaller institutions; 16 respondents (52%) stated that the previous reduction of the refusal rate had had some form of negative impact. Common negative impacts from the previous reduction included additional time and resources spent scrutinising applications and a more risk-averse behaviour in recruiting students¹².

¹² <u>https://www.guildhe.ac.uk/wp-content/uploads/2017/09/GuildHE-Uniac-UKVI-Visa-Regulations-Executive-Summary.pdf</u>

Appendix

Table 1: Comparison between UK and competitor countries' visa costs

Country – visa category	Main applicant visa fee	Dependants visa fee	Health charges	Additional fees	Visa costs for 3 years applicant plus two dependents (1 child 1 adult)
UK – Tier 4 (general)	£348	£348	\pounds 300 per year per applicant Immigration Health Surcharge. \pounds 150 for periods shorter than 6 months		£1,044 + £2,700 IHS
Australia – Student visa (subclass 500)	A\$ 575 (£314)	Over 18 – A\$ 430 (£235) Under 18 – A\$140 (£77)	Compulsory government-run health insurance purchased from private providers. Prices vary Min expense – A\$438 (£240) annual coverage		£626 + HI (varies)
USA – F-1 Category Visa	\$160 (£126)	\$160 (£126)	Health insurance not compulsory nationally, but mandatory in some universities (as part of tuition fee or separately)	Student and Exchange Visitor Information System (SEVIS) fee of \$350 (£276)	£654 + HI (compulsory only in some cases)
New Zealand – Fee Paying Student Visa	NZ\$285 (£150) from 1 July 2019	NZ\$295 (£155) child dependant visa and NZ\$245 (£129) for working holiday visa (not available for all nationalities)	Mandatory health insurance, prices vary Min expense – NZ\$590 (£310)	£18 passport fee	£488 + HI (varies)
Canada – Study Permit	C\$150 (£90)	C\$150 (£90) for child study permit, C\$155 (£93) for spouse work permit	Health insurance is compulsory – some provinces offer free or subsidised health cover, in some cases students need to obtain private insurance		£273 +HI (varies)
France – the student long-stay visa (VLS - TS)	€99 (£89)	€90 (£81)	€215 (£193) per year required contribution to Social Security System	Visa validation €60 (£54)	£413 + £1,737 HI

Germany – Student visa	€75 (£67)	€75 (£67) – over 18 €37.5 (£33) – under 18	€80 (£72) per year statutory health insurance	Resident permit – \pounds 110 (£99), must be renewed each year for a cost of up to \pounds 100 (£90)	£167 + £891 resident permit + £648 HI
China – X1 Visa	Varies by country of origin – \$140 for US nationals, £150 for UK nationals	Varies by country of origin – \$140 for US nationals, £150 for UK nationals	Mandatory medical insurance is required – prices vary	£32 service fee (paid to embassy)	£546 (varies by nationality) + HI (varies)
Japan – College student visa	Varies by nationality, ¥3,000 (£22) average	Varies by nationality, ¥3,000 (£22) average	Varies, typically around ¥3,325 (£24)		£66 avg (varies) + HI (varies)

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