

Title: Overarching Impact Assessment - Immigration Bill IA No: HO0097 Lead department or agency: Home Office Other departments or agencies: Department of Health, Ministry of Justice, Department for Communities and Local Government, Department for Transport, HM Treasury	Impact Assessment (IA)			
	Date: 14/10/2013			
	Stage: Final			
	Source of intervention: Domestic			
	Type of measure: Primary legislation			
Contact for enquiries: Immigration Bill Team - ImmigrationBillTeam@homeoffice.gsi.gov.uk				
Summary: Intervention and Options			RPC Opinion: Not Applicable	

Cost of Preferred (or more likely) Option				
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, Two-Out?	Measure qualifies as
N/A	-£49m	£4.71m	Yes	IN

What is the problem under consideration? Why is government intervention necessary?
The Government is determined to reduce illegal immigration and to take a tougher approach to dealing with those who have either entered the country illegally or overstayed their visa. The Immigration Bill contains a raft of important measures to make it more difficult for illegal migrants to live in the UK, encouraging them to depart. For those who still fail to depart the Bill will make it easier for the Home Office to enforce their removal. Additionally the Bill will underline the important principle that entitlement to our public services is earned, not an automatic right.

What are the policy objectives and the intended effects?
The measures contained in the Bill will make it easier to remove people who should not be in the UK; ensure that only those who are legally resident in the UK can access public services; reduce the volume of appeals used to frustrate removals; and clamp down on migrants' ability to gain an immigration advantage by entering into a sham marriage or civil partnership. The Bill will also encourage those who are resident in the UK illegally to depart.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)
Option 1: Do nothing and maintain the current position
Option 2: Introduce the Immigration Bill which will make a significant contribution to reducing illegal immigration and will underline the principle that entitlement to public services is earned.

Option 2 is the preferred option.

Will the policy be reviewed? It will be reviewed. If applicable, set review date: Review dates vary by measure					
Does implementation go beyond minimum EU requirements?				N/A	
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.		Micro Yes	< 20 Yes	Small Yes	Medium Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)				Traded:	Non-traded:

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs.

Signed by the responsible Minister: Mark Ham Date: 14.10.2013

Summary: Analysis & Evidence

Policy Option 2

Description: Introduce the Immigration Bill.

FULL ECONOMIC ASSESSMENT

Price Base Year 2013	PV Base Year 2014	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low:	High:	Best Estimate: N/A

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low				
High				
Best Estimate	N/A		N/A	N/A

Description and scale of key monetised costs by 'main affected groups'

Monetised costs are detailed in individual impact assessments, the total costs are not presented here. In summary the Bill will mainly impact on the public sector; the Home Office, HM Courts and Tribunal Service (HMCTS); National Health Service and General Register Office. The Government may also see a loss of income if the volume of legal migrants applying to enter or stay in the UK changes. In the private sector, landlords of privately rented accommodation and third sector immigration advisors will face additional costs.

Other key non-monetised costs by 'main affected groups'

Non-monetised costs are detailed in individual impact assessments and include increasing the notice period before a couple can marry or enter into a civil partnership and establishing an administrative review process for visa applications.

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low				
High				
Best Estimate	N/A		N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

Full details of the main monetised benefits are detailed in individual impact assessments. There will be benefits to the public sector including the Home Office and HMCTS. The Exchequer will benefit from additional income and reduced provision of public services. There may be additional employment opportunities for UK residents.

Other key non-monetised benefits by 'main affected groups'

Increased detection and removal of immigration offenders.

Key assumptions/sensitivities/risks

Discount rate (%) 3.5

The above monetised and non-monetised costs and benefits are based on the main assumptions outlined in the individual impact assessments which contain a breakdown of the risks and benefits in further detail. The net present value of each policy is presented in Table 1. These have not been totalled because a total figure would not accurately represent all the caveats to the individual figures and may be misleading.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			In scope of OITO?	Measure qualifies as
Costs: 4.7	Benefits: 0.0	Net: -4.7	Yes	IN

A. Strategic Overview

A.1 Background

Immigration has brought benefits to the United Kingdom. The Government believes that we should continue to be an open and diverse society, which attracts and welcomes the brightest and the best to help promote economic growth and competitiveness. The Government is committed to operating proper controls on immigration, to ensure that public confidence in the system is rebuilt and pressures on communities and public services are alleviated.

The Government is also determined to reduce illegal immigration and to take a tougher approach to dealing with those who have either entered the country illegally or overstayed their visa. The Immigration Bill contains a number of important measures to make it more difficult for illegal migrants to live in the UK, encouraging them to depart. For those who still fail to depart the Bill will make it easier for the Home Office to enforce their removal. Additionally, the Bill will underline the important principle that entitlement to our public services is earned, not an automatic right.

The Bill has three main themes: firstly, to make it easier to remove people who should not be in the UK by streamlining the current removals processes. It will also reduce appeals by limiting them to those who have made an asylum, human rights or EU application, to prevent the appeal being used to drag out the process of removal from the UK. In foreign criminal cases, unless there is a risk of serious irreversible harm we will expect migrants to leave first and appeal second – from overseas. Where there is no right of appeal we will provide a non-statutory administrative review process to resolve casework errors quickly and cheaply without the need for litigation.

Secondly, the Bill will ensure courts have regard to Parliament's view of what the public interest requires when considering Article 8 of the European Convention on Human Rights in immigration cases.

Thirdly, the Bill will ensure that only those migrants who are lawfully present in the UK can access services, such as renting accommodation, holding a driving licence and opening a bank account. It will ensure migrants with limited immigration status make a contribution to the National Health Service commensurate with the more limited entitlement to free NHS access that their limited status should convey, as well as tightening the rules on which migrants can access the NHS for free.

In addition to these three themes, the Bill will clamp down on migrants' ability to gain an immigration advantage by entering into a sham marriage or civil partnership, tighten independent regulation of the immigration adviser sector and include some miscellaneous provisions: new powers to support the introduction of exit checks and to reform fees charged by the Home Office in relation to immigration.

This overarching impact assessment briefly describes each measure in the Bill and the rationale for intervention. It also sets out the costs and benefits of measures of the bill where significant impacts have been identified and directs readers to individual impact assessments prepared for each part.

Measures and Rationale

The specific provisions in the bill on these themes and the rationale for each measure are outlined below.

Part 1 – Removal and Other Powers

	Measure	Rationale
A	Streamline the removals process to allow migrants to be removed without the need for a separate ‘removal decision.’	The law currently requires a removal decision to be made in addition to a separate decision to refuse leave or curtail a migrant’s leave to remain. This is unnecessary and means migrants can challenge both decisions, delaying their removal from the UK. A single decision will streamline the removals process.
B	Provide immigration officers with powers to search for travel documents following arrests where suspects are taken into immigration detention, allowing them to enter a suspect’s home or place of business to search for travel documents and, with a warrant, premises belonging to a third party	<p>Immigration officers have a number of powers of entry and search, of which one of the main uses is to search for travel documents. However, these powers have been introduced incrementally, and as a consequence, there are several gaps which limit the circumstances in which they can be used, and enable people to exploit these loopholes to frustrate their removal from the UK.</p> <p>Closing the gaps will enable immigration officers to use their powers safely and efficiently, and retrieve any travel documents and reduce opportunities for people to seek to delay or avoid removal by withholding consent to enter and search premises.</p>
C	Restrict the ability of immigration detainees awaiting removal to obtain release on bail.	At present there is no limit on the number of applications detainees can make for bail and this is used by applicants to frustrate the removals process. The proposal will allow bail applications to be rejected if they are made within 28 days of a previous, rejected application, in the absence of a material change in circumstances, and to prevent bail being granted if removal from the UK is due to take place within 14 days, unless exceptional circumstances apply. This will prevent spurious bail applications frustrating the removal process.
D	Safeguard our immigration system against abuse by allowing us to take biometrics from migrants where there currently is no power to do so – from certain non-EEA nationals exercising EU treaty rights because of their relationship with an EEA national; applicants for direct airside transit visas; those applying for British citizenship - to ensure they are who they claim to be and a power for immigration officers to confirm identity by checking biometrics during enforcement operations;	Biometric capture helps to safeguard the border and allows the Home Office to fix identities and prevent immigration abuse. This measure will allow the Home Office to take biometrics from all migrants making applications to the Home Office.
E	Ensure that Parliament’s view of what the public interest requires in Article 8 cases is given the force of primary legislation.	A person’s Article 8 right to respect for family and private life cannot be disregarded where they remain in the UK after a refusal or removal decision and can be used to frustrate removal from the UK. These rights cannot be excluded while a person remains in the UK. However, legislation can establish that the public interest is given proper weight in Article 8 decisions.

Part 2 – Appeals

	Measure	Rationale
A	Reform immigration appeals to provide a right of appeal only where an asylum, human rights or EU application is made. We will provide an administrative review to address case-working errors. Also provide a new power to require foreign national offenders being deported to leave the UK first, before appealing, unless there is a risk of serious irreversible harm.	The current immigration appeals framework is overly complex and results in appeal rights arising where an alternative remedy would be swifter, more appropriate and economical. It allows multiple opportunities to appeal (for example, where separate decisions are required to refuse an application and enforce removal). These factors create delay, and delay allows the appeals process to be exploited by those seeking to remain in the UK. Reforming the appeal system will remove unnecessary delays.

Part 3 – Access to Services

	Measure	Rationale
A	Ensure that migrants who are not lawfully present in the UK cannot rent private sector housing and establish a settled life here, by creating a duty on landlords in the private rented housing sector to check the immigration status of prospective tenants before letting the property.	Housing is an important enabler of illegal migration. Requiring landlords to check residency status is intended to reduce the availability of accommodation for those intending to stay illegally in the UK. The policy is also intended to tackle the exploitation of migrants by rogue landlords.
B	Introduce a surcharge on most temporary migrants to cover access to the NHS and provide clarity and a more restrictive qualifying condition on when a person subject to immigration control is entitled to free NHS healthcare.	<p>The rules governing migrant access to the UK's publicly funded healthcare services are overly generous when compared to those of other countries and are also inconsistent with wider government policy that those subject to immigration control should have access to public benefits commensurate with their immigration status. Migrants currently are able to access free NHS care immediately or soon after arrival in the UK, leaving the NHS open to abuse.</p> <p>Government intervention is necessary to better regulate non-EEA migrant access to publicly funded healthcare services in the UK.</p>
C	Prohibit banks from opening current accounts for migrants identified as being in UK unlawfully.	<p>There is currently no legislation that expressly bans banks from offering products to illegal migrants. Banks can (and do) offer products to customers who are not lawfully resident in the UK.</p> <p>Prohibiting banks from opening account for illegal migrants will prevent those migrants from being able to use the benefit of a current account to apply for credit, mortgages and other financial services and further establish their life in the UK.</p>
D	Enhance and improve the existing successful civil penalty scheme to prevent illegal working.	The UK operates a civil penalty scheme against firms that employ migrants who are present in the UK illegally and a duty on employers to establish that employees are permitted to work in the UK by

		conducting specific document checks before employment commences. The Bill will amend the legal procedure to improve the Home Office's ability to recover unpaid civil penalties.
E	Legislate to clarify the existing practice of refusing driving licence applications from migrants who are not entitled to be in the UK, as well as introducing a power to revoke licences held by those migrants	<p>Since 2010, there has been a lawful residence requirement for those applying for UK driving licences. These measures target those whose immigration status has lapsed since they originally acquired a licence.</p> <p>Driving licences are widely accepted as proof of identity and are used by illegal migrants to obtain access to a range of services, including bank accounts, mobile phones and accommodation. The ability to drive affords migrants an ability to travel and establish a life in the UK. Removing driving licences from those here illegally will make it more difficult to establish a life in the UK.</p>

Part 4 – Marriage and Civil Partnership

	Measure	Rationale
A	The Bill will extend the notice period for all couples giving notice of marriage following civil preliminaries or civil partnership in England and Wales to 28 days; introduce a requirement for non-EEA nationals to follow civil preliminaries before they can marry in the Anglican Church in England and Wales; require registration officials to refer to the Home Office all marriages or civil partnerships where at least one party is a non-EEA national without settled status, an EU law right of permanent residence in the UK, exemption from immigration control or a marriage or civil partnership visa; and enable the Home Office, where it has reasonable grounds to suspect that the proposed marriage or civil partnership is a sham, to extend the notice period to 70 days, in order to investigate the genuineness of the couple's relationship as a basis, where a sham is established, for enforcement or other immigration action against the non-EEA national.	The Home Office considers that sham marriages and civil partnerships for immigration advantage are a significant problem and form the basis of an estimated 4,000-10,000 applications to remain in the UK each year. Legislative changes are required to allow registration officials to refer to the Home Office information on all couples intending to marry or enter into a civil partnership, where at least one party could gain an immigration advantage, enabling the HO to assess, investigate and, if appropriate, take enforcement or other immigration action.

Part 5 – Oversight

	Measure	Rationale
A	Provide the Office of the Immigration Services Commissioner (OISC) with new powers to cancel the registration of unfit or defunct organisations; suspend the activities of advisers charged with criminal offences until the matter has been resolved; apply for a warrant to enter, at reasonable times, premises in which a regulated organisation operates, for the purpose of audit visits, and to apply for a warrant to enter a private residence used by a regulated organisation, where necessary to exercise its powers; and by bringing private and third sector organisations within the same regulatory framework, simplifying it and making it more consistent.	<p>The Office of the Immigration Services Commissioner (OISC) regulates firms, sole traders and third sector organisations providing immigration advice to the public. In addition to the measures to strengthen the powers of the Commissioner listed opposite, the Government would like to simplify and clarify what is a confusing regulatory regime and align the regulatory requirements for third sector organisations with those for private sector organisations</p> <p>Under the current legislation, the Commissioner chooses to exempt organisations that do not charge for their services from the requirement to be registered and therefore from paying a fee to the OISC. The Government believes that it should decide which categories of organisation should pay registration fees, rather than the Commissioner. The Government plans to retain the position that organisations that do not charge for their services do not pay fees, by requiring the Commissioner to waive fees for such organisations.</p>

Part 6 - Miscellaneous

A	Provide a power for an authorised person to undertake 'exit checks' on embarkation, currently only exercisable by an immigration officer, as well as a power to enable the Home Office to direct that arrangements must be made by carriers and ports for embarkation checks to be undertaken in respect of specific passengers	Exit checks will allow the UK to place offenders leaving the UK on a watch list; develop a system to identify the number of overstayers in the UK and to help improve the migration statistics in conjunction with the International Passenger Survey.
B	Provide legislative clarity on the Home Office's ability to charge fees for immigration services	<p>Home Office fees for immigration and nationality products and services provide vital funding to help control migration for the benefit of the UK - in a way that provides value for money for the taxpayer and attracts the brightest and best migrants to come to the UK.</p> <p>As part of the latest Spending Round, the Home Office's taxpayer funding will reduce by around 6% by 2015-16 and an increased contribution must be made by migrants who benefit directly from Home Office services. Government intervention is necessary to ensure a balanced budget and high quality services for migrants.</p>

Costs and Benefits

The section below summarises the costs and benefits of each measure where particular impacts have been identified and an impact assessment prepared. Table 1 sets out which measures meet the criteria for an impact assessment and the Net Present Value (NPV) of the measure. Where there are direct costs to businesses, the equivalent annual net cost to business (EANCB) has also been quoted.

The NPVs of each measure have not been summed as this does not give an appropriate NPV for the Bill. In some of the individual impact assessments it has not been possible to quantify the benefits, therefore an overall NPV may be misleading. Other impact assessments present a range of impacts between zero and the maximum possible impact. The individual impact assessments should be consulted for further detail on the costs and benefits. The direct impacts to businesses are comparable between IAs and the overall impact on businesses has been presented.

The impacts of all of the measures discussed above but not cited in table 1 fall below the thresholds required for an impact assessment. There are no costs to businesses or civil society organisations, no information requirement is being imposed or removed from bodies that deliver public services and the cost to the public sector does not exceed £5m per annum. As these thresholds have not been met, an impact assessment has not been prepared.

Table 1 – Summary of impact assessment NPV and EANCB

	Measure	NPV	EANCB
2A	Appeals	£219m	N/A
3A	Tackling illegal migration and the private rented sector	-£63m	£4.7m
3B	Regulating migrant access to health services in the UK	£1,970m	N/A
3C	Access to banking and illegal migration (HMT lead)	Under preparation	Under preparation
4A	Marriage and Civil Partnership	£118m	N/A
5A	Office of the Immigration Services Commissioner	-£0m	£0.01m
6A	Exit Checks	Under preparation	Under preparation
6B	Fees	£466m	N/A
	Total		£4.7m

Part 2 – Appeals

An impact assessment has been prepared for this measure and is available at <https://www.gov.uk/government/publications/immigration-bill-part-2-appeals>.

The costs and benefits are summarised in Table 2 below. See the full impact assessment for further detail.

Table 2 – Appeals - Summary of costs and benefits

Summary of Costs and Benefits	10 yr impact
Costs	(£m) PV
Ongoing costs	
1. Administrative Review Costs	unknown
2. Reduced appeal income to HMCTS	£42
Total costs	£42
Benefits	
Ongoing Benefits	
1. Decrease in appeal costs	
Home Office	£73
HMCTS	£187
Total benefits	£261
Net present value	£219

There are no direct impacts on businesses as a result of this measure.

Part 3 – Access to Services

3A – Tackling Illegal migration in private rented accommodation

An impact assessment has been prepared for this measure and is available at <https://www.gov.uk/government/publications/immigration-bill-part-3-access-to-services>.

The costs and benefits are summarised in Table 3. See the full impact assessment for further detail.

Table 3 – Tackling Illegal migration in private rented accommodation - Summary of costs and benefits

Summary of Costs and Benefits	10 yr impact (£m) PV
Costs	
Set-up costs	
1. Training and familiarisation costs - Home Office	£0.04
2. Home Office Enquiry Service Set up and maintenance	£0.0
3. Home Office IT Set up and maintenance	£0.0
4. Familiarisation costs – Landlords	£22.6
Total Set Up Costs	£22.6
Ongoing costs	
1. Home Office Staff Impacts	£7.5
2. Home Office Cost of Objections	£0.8
3. Home Office Cost of Appeals	£0.3
4. Assisted Voluntary Departures Costs - Home Office	£0.0
5. Cost to Landlords of Processing Checks	£36.5
6. Cost to Landlords of Reporting	£0.0
7. Appeal and Objection Costs for successful landlords	£0.02
8. Additional charges by letting agencies to cover costs	
Charges to Landlords by Letting Agencies	£18.2
Charges to Tenants by Letting Agencies	£18.2
9. Diary Input	£1.7
Total Ongoing Costs	£83.3
Total costs	£105.9
Benefits	
Ongoing Benefits	
1. Public sector income from penalties	£6.8
2. Increased turnover for letting agents	£36.4
Total benefits	£43
Net present value	-£62.7

These proposals are regulatory and would have a direct impact on businesses; that is a cost of £4.7 million per year (EANCB, 2009 prices). These measures would be classified as an **IN** under OITO methodology.

Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)
-£49.4m	£4.7m

3B – Regulating migrant access to health services in the UK

An impact assessment has been prepared for this measure and is available at <https://www.gov.uk/government/publications/immigration-bill-part-3-access-to-services>.

The costs and benefits are summarised in Table 4 below. See the full impact assessment for further detail.

Table 4 – Regulating migrant access to health services in the UK - Summary of costs and benefits

Summary of Costs and Benefits	10 yr impact
Costs	(£m) PV
NHS Familiarisation Costs	£0.004
Home Office Familiarisation Costs	£0.02
Home Office Set-up Costs	£2
NHS Admin Costs	£3
Home Office Admin Costs	£9
Home Office Loss in Revenue	£6
Exchequer Impacts	£160
Loss to Education Sector	£90
Total	£270
Benefits	
Savings on Processing Applications	£4
Income to Government from Surcharge	£1,970
Savings on Public Services	£200
Increased employment opportunities for UK residents	£70
Total	£2,240
NPV	£1,970

There are no direct impacts on businesses as a result of this measure.

3C – Access to banking and illegal migration

An impact assessment is being prepared and will be published at <https://www.gov.uk/government/organisations/home-office/series/immigration-bill> in due course.

Part 4 – Marriage and Civil Partnership

An impact assessment has been prepared for this measure and is available at <https://www.gov.uk/government/publications/immigration-bill-part-4-marriage-and-civil-partnership>.

The costs and benefits are summarised in Table 5. See the full impact assessment for further detail.

Table 5 – Marriage and civil partnership – Summary of costs and benefits

Summary of Costs and Benefits	10 yr impact
Costs	(£m) PV
Set-up costs	
1. Training and familiarisation costs - Home Office	£0.5
2. Training and familiarisation - registration service	£0.3
3. Home Office IT set up and maintenance	£0.4
4. GRO IT set up and maintenance	£0.5
Total Set Up Costs	£1.7
Ongoing costs	
1. Home Office staff impacts	£26.6
2. Increase in appeal costs	£10.5
3. Additional costs for registration service	£3.5
4. Removal costs - Home Office	£20.9
5. Reduction in income for Anglican Church	£6.9
Total Ongoing Costs	£68.3
Total costs	£70.0
Benefits	
Ongoing Benefits	
1. Additional fee income to registration services	£2.9
2. Additional appeal fee income to HMCTS	£1.1
3. Reduction in fees paid by those marrying in Anglican Church	£4.0
4. Reduction in administrative activity for Anglican Church	£6.9
5. Public sector service savings	£166.8
Reduced public service costs from removals	£152.7
Reduced public service costs from deterrence	£14.1
6. Increased employment for UK residents	£6.1
Total benefits	£187.7
Net present value	£118

There are no direct or indirect impacts on businesses as a result of this policy proposal.

Part 5 – Oversight

5A – Office of the Immigration Services Commissioner

A regulatory triage form has been prepared and this measure has been accepted as a low cost regulatory measure, with small costs for third sector organisations, by the Regulatory Policy Committee. The triage form will be published at <https://www.gov.uk/government/publications/immigration-bill-part-5-oversight>. A validation stage IA, expressing the full costs and benefits on businesses, will be prepared when the policy is enacted.

These proposals are regulatory and would have a direct impact on business; that is a cost of £0.01 million per year (EANCB, 2009 prices). These measures would be classified as an **IN** under OITO methodology.

Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)
-£0.09m	£0.01m

Part 6 - Miscellaneous

6A – Exit Checks

An impact assessment is being prepared and will be published at <https://www.gov.uk/government/organisations/home-office/series/immigration-bill> in due course.

There are a number of different ways in which exit checks can be delivered including electronically using advance passenger information collected by carriers prior to travel, on departure through the introduction of Border Force-staffed or automated embarkation control points and/or by using third parties to conduct embarkation checks on our behalf. The Home Office is exploring how best to deliver exit checks in the different operational environments including determining which of the different approaches is best suited to port layout, infrastructure and traffic. This means that there may be additional costs on businesses. A completed impact assessment will be submitted to the RPC after further discussion with businesses affected.

6B – Fees

An impact assessment has been prepared for this measure and is available at <https://www.gov.uk/government/publications/immigration-bill-part-6-miscellaneous>.

The costs and benefits are summarised in Table 6 below. See the full impact assessment for further detail. The impact assessment presents a range of impacts between zero and the maximum possible impact. The table below reflects the maximum possible impacts so the figures presented below should be considered as the upper bound of the impact, dependent on the actual level of fee set during the period assessed.

Table 6 – Fees – Summary of costs and benefits

Summary of Costs and Benefits	10 yr impact
Costs	(£m) PV
Cost: Loss in revenue from fewer applications	£2
Cost: Lost fiscal contribution from reduction in migrants coming/ remaining in the UK	£33
Total Costs	£35
Benefits	
Benefit: Increase in revenue from raising fees	£459
Benefit: Saving from processing fewer applications	£2.5
Benefit: Savings to UK due to lower public service provision	£26.5
Benefit: increased employment for UK residents	£13.2
Total Benefits	£501
Net present value	£466

It is estimated there will be no direct regulatory cost to business as no new regulatory burden is being introduced. There is only a change in the fee level for products which are primarily levied on individuals. There may be an increase in the cost of sponsorship products purchased by businesses. Guidance issued by HM Government on the one in two out (OITO) methodology states that fees and charges are out of scope of OITO. There is no additional administrative burden on firms.