Title:
English language requirement for spouses
Lead department or agency:
UK Border Agency
Other departments or agencies:

Impact Assessment (IA)

IA No: HO006

Date: 1 October 2010

Stage: Final
Source intervention: Domestic
Type of measure: Secondary legislation
Contact for enquiries:

# **Summary: Intervention and Options**

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

The Government is introducing a range of measures to ensure that immigration is properly controlled for the benefit of the UK.

Currently spouses seeking to settle in the UK do not need to demonstrate their knowledge of English language until they have been in the UK for two years. Speaking English promotes integration into British society and broadens opportunities. The Government is proposing to introduce an English language requirement for spouses and other partners applying to enter or remain in the UK. Government intervention is necessary to improve English language standards for those migrants wishing to settle in the UK.

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

The key objectives of the policy are:

- To help promote the economic well-being of the UK by encouraging integration and protecting public services;
- To assist in removing cultural barriers and broaden opportunities for migrants; and
- To help ensure that spouses are able to play a full part in British life, increasing the prospects of a newly arrived spouse/partner of finding productive employment.

#### What policy options have been considered? Please justify preferred option (further details in Evidence Base)

Option 1 - Do Nothing

Option 2 - Introduce an English language requirement for spouses and partners coming to or applying to stay in the UK on the basis of a relationship with a British citizen or settled person on 29 November 2010.

When will the policy be reviewed to establish its impact and the extent to which the policy objectives have been achieved?	It will be reviewed 2014
Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review?	Yes

Ministerial Sign-off For final proposal stage Impact Assessments:

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) the benefits justify the costs.

Signed by	the i	responsible	Minister

# **Summary: Analysis and Evidence**

#### **Description:**

Option 2 - Introduce an English language requirement for spouses and partners coming to or applying to stay in the UK on the basis of a relationship with a British citizen or settled person on 29 November 2010

Price Base PV Ba	se Time Period	N	et Benefit (Present Val	ue (PV)) (£m)
Year 2010 Year 2	2010 <b>Years</b> 10	<b>Low:</b> -3.2m	High: -54.3m	Best Estimate: -28.8m

COSTS (£m)	<b>Total Tra</b> (Constant Price)	ansition Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	1.1m		0.3m	3.2m
High	1.1m	1	6.2m	56.8m
Best Estimate	1.1m		3.2m	30.0m

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

UKBA - Transitional costs - Guidance, Training and familiarisation costs

UKBA - Ongoing costs - Additional casework, Appeals, Judical reviews, removals, lost fee income.

Applicant - Ongoing costs - Tuition fees, test fees

Third/Private sector – training and familiarisation.

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

Applicant - delayed family reunion

BENEFITS (£m)	Total Tra (Constant Price)	ansition Years	Average Annual (excl. Transition) (Constant Price)	<b>Total Benefit</b> (Present Value)
Low	0		0	0
High	0	1	0.3m	2.5m
Best Estimate	0m		0.1m	1.2m

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

- UK - Increased migrant output due to improved English language skills as measured by potential wages.

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

- Public sector translation costs and a possible saving in teaching children with English as an Additional language. (EAL)
- Improved social cohesion and integration of migrant spouses.
- Removal of cultural barriers and broader opportunitites for migrants.

#### Key assumptions/sensitivities/risks

Discount rate (%)

3.5%

Risks exist around:

- Volume of spouse visa applications and grants and the proportion of applicants that will be affected by the language requirement. The proportion of applicants that will be deterred from applying is also important;
- Additional case working time required to check language requirement;
- The level of tuition required for A1 level of language, tuition fees and test fees;
- Additional migrant output as a result of enhanced language skills and the ability of the labour market to support this growth.

Impact on admin bu	urden (AB) (£m):		Impact on policy cost savings (£m):	In scope
New AB: N/A	AB savings: N/A	Net: N/A	Policy cost savings:	Yes/No

# **Enforcement, Implementation and Wider Impacts**

What is the geographic coverage of the policy/option?	Worldwid	Worldwide					
From what date will the policy be implemented?			29 Nover	29 November 2010			
Which organisation(s) will enforce the policy?			UKBA				
What is the annual change in enforcement cost (£m)?			Circa £30	00,00	0		
Does enforcement comply with Hampton principles?			Yes				
Does implementation go beyond minimum EU requirem	N/A						
What is the CO <sub>2</sub> equivalent change in greenhouse gas (Million tonnes CO <sub>2</sub> equivalent)	Traded: Non-traded N/A N/A		raded:				
Does the proposal have an impact on competition?	No						
What proportion (%) of Total PV costs/benefits is directly primary legislation, if applicable?	Costs:		Ben 0	efits:			
Annual cost (£m) per organisation (excl. Transition) (Constant Price)	Micro N/A	< <b>20</b> N/A	Small N/A	Med N/A	dium	<b>Large</b> N/A	
Are any of these organisations exempt?	No	No	No	No		No	

# **Specific Impact Tests: Checklist**

Set out in the table below where information on any SITs undertaken as part of the analysis of the policy options can be found in the evidence base. For guidance on how to complete each test, double-click on the link for the guidance provided by the relevant department.

Please note this checklist is not intended to list each and every statutory consideration that departments should take into account when deciding which policy option to follow. It is the responsibility of departments to make sure that their duties are complied with.

Does your policy option/proposal have an impact on?	Impact	Page ref within IA
Statutory equality duties <sup>1</sup>	Yes	12
Statutory Equality Duties Impact Test guidance		
Economic impacts		
Competition Competition Assessment Impact Test guidance	No	12
Small firms Small Firms Impact Test guidance	No	12
Environmental impacts		
Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance	No	N/A
Wider environmental issues Wider Environmental Issues Impact Test guidance	No	N/A
Social impacts		
Health and well-being Health and Well-being Impact Test guidance	No	N/A
Human rights Human Rights Impact Test guidance	Yes	12
Justice Justice Impact Test guidance	No	N/A
Rural proofing Rural Proofing Impact Test guidance	No	N/A
Sustainability	No	N/A
Sustainable Development Impact Test guidance		

<sup>1</sup> 

<sup>&</sup>lt;sup>1</sup> Race, disability and gender Impact assessments are statutory requirements for relevant policies. Equality statutory requirements will be expanded 2011, once the Equality Bill comes into force. Statutory equality duties part of the Equality Bill apply to GB only. The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

# **Evidence Base (for summary sheets) – Notes**

Use this space to set out the relevant references, evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Please fill in **References** section.

#### References

Include the links to relevant legislation and publications, such as public impact assessment of earlier stages (e.g. Consultation, Final, Implementation).

No.	Legislation or publication
1	<u>Previous Consultation Document and Response to Consultation –</u> http://webarchive.nationalarchives.gov.uk/20100503160445/http://www.ukba.homeoffice.gov.uk/sitecontent/documents/aboutus/consultations/preentryenglishrequirement/
2	<u>Previous Impact Assessment</u> —  http://webarchive.nationalarchives.gov.uk/20100503160445/http://www.ukba.homeoffic e.gov.uk/sitecontent/documents/aboutus/consultations/earning-the-right-to-stay/
3	

#### **Evidence Base**

Ensure that the information in this section provides clear evidence of the information provided in the summary pages of this form (recommended maximum of 30 pages). Complete the **Annual profile of monetised costs and benefits** (transition and recurring) below over the life of the policy (use the spreadsheet attached if the period is longer than 10 years).

The spreadsheet also contains an emission changes table that you will need to fill in if your measure has an impact on greenhouse gas emissions.

## Annual profile of monetised costs and benefits\* - (£m) constant prices

£m										
	$Y_0$	<b>Y</b> <sub>1</sub>	Y <sub>2</sub>	<b>Y</b> <sub>3</sub>	$Y_4$	<b>Y</b> <sub>5</sub>	<b>Y</b> <sub>6</sub>	<b>Y</b> <sub>7</sub>	Y <sub>8</sub>	Y <sub>9</sub>
Transition costs	£1.1	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0
Annual recurring cost	£3.9	£4.4	£2.7	£2.9	£2.9	£3.0	£3.0	£3.1	£3.2	£3.2
Total annual costs	£5.0	£4.4	£2.7	£2.9	£2.9	£3.0	£3.0	£3.1	£3.2	£3.2
Transition benefits	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0	£0.0
Annual recurring benefits	£0.0	£0.1	£0.2	£0.2	£0.2	£0.2	£0.2	£0.2	£0.2	£0.2
Total annual benefits	£0.0	£0.1	£0.2	£0.2	£0.2	£0.2	£0.2	£0.2	£0.2	£0.2

<sup>\*</sup> For non-monetised benefits please see summary pages and main evidence base section

Costs and benefits have been calculated in a range. The costs and benefits presented in the table above are the central estimates.

# **Evidence Base (for summary sheets)**

## A. Strategic Overview

## A.1 Background

The Government announced on 9 June that it would introduce an English language requirement for non EEA nationals seeking to enter or remain in the UK as the spouse or partner of a British citizen or person settled here. The requirement will be introduced on 29 November 2010 via a change to the Immigration Rules and will be set at level A1 (speaking and listening) of the Common European Framework of Reference (CEFR).

The previous Government had announced in July 2009 that it intended to introduce an English requirement at level A1 (speaking only) for spouses from summer 2011. Prior to this, it had consulted (*Marriage Visas: Pre-Entry English Requirement for spouses* – December 2007) on a pre-entry language requirement for those applying for a spouse visa and planning to settle in the UK. Proposals for the requirement received mixed responses (the majority of organisations disagreed with the proposal; individuals were more divided) although there was general appreciation of the importance of learning English, particularly to support integration.

The coalition Government recognises the importance of speaking English to aid successful integration; it is also considered vital to promote the economic well-being of the UK.

## A.2 Groups Affected

The rules will apply to non EEA national spouses, civil partners, unmarried partners, same sex partners, fiancés and proposed civil partners applying for leave to enter or remain on the basis of their relationship with a British citizen or non EEA national settled in the UK.

## B. Rationale

Spouses are currently required to demonstrate English language ability and knowledge of life in the UK before being granted indefinite leave to remain (following completion of 2 years leave in the UK). Currently, spouses are the largest group admitted to the UK under the Immigration Rules without an English language requirement.

We believe that speaking English should be a pre-requisite for those wishing to settle here. A new English requirement for spouses will help promote the economic well-being of the UK, for example by encouraging integration and protecting public services. English skills will also improve employment chances for spouses who have access to the labour market.

It will broaden opportunities for migrants and help to ensure that they are equipped to play a full part in British society. A command of English will also assist in removing cultural barriers for the second generation who suffer academically when English is not spoken in the home.

# C. Objectives

The key objectives of this policy are:

- To help promote the economic well-being of the UK by encouraging integration and protecting public services;
- To assist in removing cultural barriers and broaden opportunities for migrants; and
- To help ensure that spouses are able to play a full part in British life, increasing the prospects of a newly arrived spouse of finding productive employment.

## D. Options

Option 1 is to make no changes to the current immigration rules (do nothing).

Option 2 is to require those seeking leave to enter or remain on the basis of a relationship with a British citizen or non EEA national settled here to demonstrate that they have learnt a basic level of English prior to applying for leave.

Spouses and other partners will need to demonstrate that they are competent in speaking and listening to a minimum of level A1 of the Common European Framework of Reference (CEFR). Level A1 is a basic level of English judged to require approximately 40-50 hours tuition for most learners. We consider this to be a reasonable requirement and likely to be achievable by most applicants.

Level A1 is consistent with practice in other EU countries. Meeting level A1 requires learners (who have no prior knowledge of English) to demonstrate a basic command of English that will allow them to cope with everyday interactions in the UK. Speaking and listening are the essential skills for new arrivals to the UK.

A spouse will need to provide evidence to the UK Border Agency with their application for leave to enter or leave to remain that they have passed an English language test with one of the UK Border Agency's approved test providers.

## E. Appraisal (Costs and Benefits)

Option 1 – Do Nothing

Table 1, below, discusses the expected costs and benefits arising from option 1 and the introduction of policy option 2.

Table 1: Costs and Benefits of all options

Option 1 Bontouring	D fit
Costs	Benefits
<ul> <li>If no change is made to the immigration rules,</li> </ul>	No resource costs to UKBA
there is a risk to the reputation of the UK Border Agency.	No impact on spouses and family reunion
Costs to Local Authorities and public services of providing translation services	
Damage to integration of migrants into UK life.	
Option 2 – Introduce an English language requirem	
as a spouse or partner of a British citizen or non El	EA national settled here.
Monetised Costs	Monetised Benefits
UKBA	UK
UKBA will face initial set up costs in the form of training case working staff and updating IT to be able to record the test outcome.	The ability to speak English, even to a basic standard, will enhance the productivity of a migrant spouse, benefiting the UK economy.
<ul> <li>Ongoing costs will be realised through additional casework to ensure the certificate is present and a fall in fee income as applications are deterred or deferred.</li> </ul>	
It is also likely that appeals, judicial reviews and removals may increase as a result of the policy. However, it is expected that some of these may only have a short term impact.	
Third and Private Sector  • Training/familiarisation costs to third sector	

immigration advisors and lawyers.	
Applicant     Migrant applicants and their sponsor in the UK will face tuition fees and test fees.	Non Manatina d Danatin
Non Monetised Costs	Non Monetised Benefits
Possible harm to family reunions	<ul> <li>UK</li> <li>There is expected to be savings to the public sector in terms of translation costs.</li> <li>Enhanced English language skills will improve community cohesion and aid integration.</li> </ul>

# Option 2 – Introduce an English language requirement for those seeking leave to enter or remain as a spouse or partner of a British citizen or non EEA national settled here.

#### **TOTAL COSTS**

The majority of the costs of implementing English language requirements for partners will fall to UKBA, although there will be some costs to the migrant. UKBA employees will require some training in order to implement the new rules. UKBA will be required to adjust casework practice to take account of the additional requirement. We expect that this will add a short time to the time taken to decide each case. We also expect many of the unsuccessful applicants to appeal the decisions and possibly bring the case to judicial review. We have assumed that appeal rates may increase by up to 10% as applicants test the new rules. We have allowed for a small number of judicial reviews. Initially we expect appeals to fall in line with the reduced number of applications.

Increasing the entry requirements to include a language test is expected to result in a number of deferred applications. This will have an impact on the fee revenue UKBA receives. We expect that applications will be deferred by between one to two years, after which application levels will return to previous volumes.

The UK impact assessment process aims to measure the direct economic costs and benefits occurring within the UK. Applying these principles, costs accruing to migrant spouses in another country, such as language tuition and language tests should *not* be included in the assessment of costs and benefits. However, it is unreasonable to assume that none of these costs will be passed on to the UK based spouse. We have, therefore, assumed that 50% of the cost of tuition and test fees will be passed on to UK residents. We have counted 100% of the test fees of those applying from within the UK. It is thought that most learners will need between 40 and 50 hours of tuition to reach the required level.

We have estimated training and familiarisation costs to the private sector and third sector immigration advisors and lawyers. We have assumed that there are 2400 third sector advisors in the UK and 5800 lawyers engaging in immigration related work. It is unlikely that they will require formal training but they will require time to familiarise themselves with the changes.

**Table 2: Total Costs** 

Costs	10 year NPV Min	10 year NPV Max	10 year NPV Central
Set Up			
UKBA			
Training	£0.9m	£0.9m	£0.9m
Private/Third Sector			
Training and familiarisation	£0.1m	£0.1m	£0.1m
Ongoing Costs			
UKBA			
Additional Case Working Appeals	£2.1m £0.0m	£2.4m -£0.5m	£2.2m -£0.2m

Removals	£0.0m	£2.3m	£1.2m
JR's - short term	£0.0m	£0.1m	£0.0m
Deterred Fee Income	£0.0m	£23.9m	£11.9m
Migrants			
Tuition Fees - outside of UK, paid by UK			
resident	£0.0m	£24.7m	£12.3m
Language Tests	£0.0m	£2.9m	£1.5m
Total Costs	£3.2m	£56.8m	£30.0m

Transfer payments are not included in the overall cost and benefit analysis as they cancel each other out. Payments made for tuition and English language tests by migrants applying within the UK are considered transfer payments to UK companies providing tuition and English tests.

**Table 3: Transfer Payments** 

Transfer Payments	Minimum	Maximum	Central
Cost – Migrants			
Language Test fees (UK)	0m	1.7m	0.9m
Language Tuition (UK)	0m	3.3m	1.7m
Benefit - UK Test Companies			
Language Test fees (UK)	0m	1.7m	0.9m
Language Tuition (UK)	0m	3.3m	1.7m
Net	0m	0m	0m

## Impacts on the Private and Third sector

There will be some set up costs in the form of training and familiarisation associated with the change. It is unlikely that there will be formal training requirements, but we expect that most advisors and lawyers will require at least half an hour to familiarise themselves with the changes. We have estimated these to be £110k. Of this, £90k will fall to the private sector and £20k to the third sector. The private sector will also enjoy revenues from test fees and tuition in the UK. We estimate these to be £2.5m (NPV over ten years). Thus the private sector is expected to benefit by £2.4m over ten years.

#### **TOTAL BENEFITS**

The main quantifiable benefit of improving English language standards before admittance to the UK is on UK output. Migrant spouses and partners should have a higher level of productivity, enabling them to earn a higher amount in the UK.

We have used academic evidence on the benefit of English language skills and marriage to estimate the effect. Dustmann and Fabbri <sup>2</sup>(2000) discuss the labour market impacts of English language fluency for ethnic minorities, which we have taken as a proxy for a migrant. English language proficiency is highly correlated with higher employment and higher wages. The paper suggests that English language proficiency results in a 16-20% higher wage than those with no English language skills. The minimum wage is assumed to be the lower bound of wages in the UK and higher wages due to language skills are calculated from this base.

**Table 4: Total benefits** 

Benefits	10 year NPV Min	10 year NPV Max	10 year NPV Central
benefits	IVIII I	IVIAX	Central
UK			
UK Output	£0.0m	£2.5m	£1.2m
<b>Total Benefits</b>	£0.0m	£2.5m	£1.2m
Net Benefit	-£3.2m	-£54.3m	-£28.8m

<sup>&</sup>lt;sup>2</sup> Dustmann, C and Fabbri, F. (2000) <u>Language Proficiency and Labour Performance of Migrants in the UK.</u> Discussion Paper Series IZA DP No. 156. Institute for the Study of Labour.

It has not been possible to quantify a number of the wider benefits of the proposal, namely those around increased integration of spouses and the importance of learning English before arrival. For those who wish to make the UK their home and earn the privileges of settlement, the Government has a responsibility to support them in integrating fully and enabling them to contribute to their new communities. It has also not been possible to estimate the savings from a fall in demand for translation services provided by local authorities and other public services. We also anticipate that improving English language skills may increase the likelihood of English being spoken in the home. This may have an effect on the volume of children in UK schools requiring English language support.

## F. Risks

The costs and benefits above are subject to a number of uncertainties through the assumptions used to calculate them. Table 3 below highlights the key risks and uncertainties.

Current assumption	Alternative assumption	Impact on costs and benefits
Volume of people applying: Out of Country – 39,000 p.a. In Country – 24,000 p.a. It is assumed that these are constant over time.	Applications have been historically volatile so it is possible that actuals applications may increase or decrease over time.	If applications grow by 5% per year the annual costs will increase to £4.5m and the NPV will fall to minus £39.3m
		If applications fall by 5% per year the annuals costs will fall to £2.4m and the NPV will increase to minus £21.4m
Proportion of applications who fail to speak English to A1 standard: Out of Country – 0% to 29%, with central estimate of 15%. In Country – 0% to 10%, with a central estimate of 5%	It is possible that the volumes affected by the policy change may be higher than the range estimated.	If twice as many applicants are affected, the NPV could fall to an estimated minus £113.4m over ten years.
Deferred Applications: 1 Year – 50% of those affected, 2 years – 50% of those affected.	Applications may be deferred for longer or deterred totally.	Unquantified
Improving English language skills will improve productivity and output. This assumes that a small number of migrant spouses will be able to achieve a wage 16% above the minimum wage.	The labour market may not be able to provide jobs paying 16% higher than the minimum wage especially as unemployment is currently rising. It is possible that migrant spouses will not be able to find employment despite their language skills.	Unquantified

# **G** Summary and Recommendations

The table below outlines the costs and benefits of the proposed changes.

Table H.1 Costs and Benefits		
Option	Costs	Benefits
1	Zero. There will be no policy change.	

2	Set Up costs – 1.1m	Set up benefits - £0m
	Ongoing costs - £3.2 per year	Ongoing benefits - £0.1m per year Plus integration benefits that we have not been able to quantify.
Source:		'

Option 2 is our preferred option because it will achieve our objectives of aiding the economic well being of the UK by improving integration for migrant spouses into UK communities, enhancing employment prospects and highlighting the importance of learning English. The costs are in proportion to these aims.

## **H** Enforcement

The policy will be enforced by the UKBA at the point of visa decision.

## I. Implementation

The Government plans to implement these changes on 29 November 2010.

## J. Monitoring and Evaluation

The Immigration Rules are kept under constant review. The new English requirement for spouses and partners will be monitored by 2014.

## K. Feedback

Those affected by changes to the Immigration Rules are able to provide views on new policies by corresponding directly with UKBA or via their MP. Additional feedback mechanisms will be considered when the policy is evaluated.

## **Annexes**

Annex 1 should be used to set out the Post Implementation Review Plan as detailed below. Further annexes may be added to provide further information about non-monetary costs and benefits from Specific Impact Tests, if relevant to an overall understanding of policy options.

# **Annex 1: Post Implementation Review (PIR) Plan**

A PIR should be undertaken, usually three to five years after implementation of the policy, but exceptionally a longer period may be more appropriate. A PIR should examine the extent to which the implemented regulations have achieved their objectives, assess their actual costs and benefits and identify whether they are having any unintended consequences. Please set out the PIR Plan as detailed below. If there is no plan to do a PIR please provide reasons below.

**Basis of the review:** [The basis of the review could be statutory (forming part of the legislation), it could be to review existing policy or there could be a political commitment to review];

On 9 June 2010, the Home Secretary announced a review of English language requirements across the immigration system. In line with this commitment and to ensure coherence across the system, the level of English for spouses and partners will be reviewed within one year of implementation.

**Review objective:** [Is it intended as a proportionate check that regulation is operating as expected to tackle the problem of concern?; or as a wider exploration of the policy approach taken?; or as a link from policy objective to outcome?]

To meet the commitment to review English language across the immigration system and to ensure coherence across the system.

**Review approach and rationale:** [e.g. describe here the review approach (in-depth evaluation, scope review of monitoring data, scan of stakeholder views, etc.) and the rationale that made choosing such an approach]

In reviewing the language level for spouses and partners, we will consider the number of applicants who are able to meet the requirement, the number who are refused because they are unable to meet the requirement and the number of applicants who are exempt from the requirement.

**Baseline:** [The current (baseline) position against which the change introduced by the legislation can be measured] Integration needs are not met and spouses who cannot speak English on entry place a burden on public services and a drain on the UK's economy.

**Success criteria:** [Criteria showing achievement of the policy objectives as set out in the final impact assessment; criteria for modifying or replacing the policy if it does not achieve its objectives]

Spouses and partners are able to play a full part in British life, their opportunities are broadened and their impact on the economic well-being of the UK is reduced.

**Monitoring information arrangements:** [Provide further details of the planned/existing arrangements in place that will allow a systematic collection systematic collection of monitoring information for future policy review]

Statistical data on those granted and refused leave to enter and leave to remain is collated by UKBA.

Reasons for not planning a PIR: [If there is no plan to do a PIR please provide reasons here]

# **Annex 2. Specific Impact Tests**

## **Statutory Equality Duties**

**Equality Impact Assessment** 

See separate document

## **Economic Impacts**

## **Competition Assessment**

The policy intervention will affect individual migrant decisions to come to the UK. It will not have any impact on firms, thus there is no impact on competition.

## **Small Firms Impact Test**

As stated above, the policy will have no effect on firms, thus there will be no effect on small firms.

## **Social Impacts**

## **Human Rights**

The policy intervention is at risk of legal challenge on the basis of Article 8 of the European Convention of Human Rights. To mitigate the risk of legal challenge flexibility will be built into the system to ensure that certain groups who are not able to learn English before coming to the UK will be exempt from the requirement. These exemptions will be set out in published guidance.