

Impact Assessment

Title: Immigration and Asylum Bill

Type of measure: Primary Legislation

Department or agency: Home Office

IA number: HO IA 1029

Type of Impact Assessment: Final

RPC reference number: N/A

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Date: 30 June 2026

1. Summary of proposal

1. Following the King's Speech on 13 May 2026¹, the government is introducing the Immigration and Asylum Bill ("the Bill") to bring into effect the main reforms announced in the Restoring Order and Control statement in November 2025², building on the reforms enacted in March 2026³.

2. The measures within this legislation fall under five pillars:

Pillar 1: Appeals reform: Create a new independent appeals body, the Independent Immigration Appeals Authority (IIAA), to deliver an appeals system that is fair, fast, can cope with the pressures placed on it, and restores public confidence. It will be staffed by trained adjudicators, whose decisions will be fully independent, and the new body will be integrated into the end-to-end immigration system to ensure appeals related to those who are detained and readily removable are expedited.

¹ The King's Speech 2026 – GOV.UK: <https://www.gov.uk/government/speeches/the-kings-speech-2026>

² Restoring Order and Control: A statement on the government's asylum and returns policy (accessible) - GOV.UK: <https://www.gov.uk/government/publications/asylum-and-returns-policy-statement/restoring-order-and-control-a-statement-on-the-governments-asylum-and-returns-policy>

³ Statement of changes to the Immigration Rules: HC 1691, 5 March 2026 - GOV.UK: <https://www.gov.uk/government/publications/statement-of-changes-to-the-immigration-rules-hc-1619-5-march-2026>

Pillar 2: Recovering asylum support costs: Those who have received taxpayer-funded accommodation and other asylum support will be required, for the first time, to contribute towards the costs incurred when financially able to do so.

Pillar 3: Article 8, ECHR reform: Tighten the application of Article 8 of the ECHR, for immigration purposes, to ensure that the public interest carries proper weight in immigration decisions, including for foreign national offenders (FNOs). Family life will also be defined, to ensure that the definition of family is usually limited to the core cohabiting family unit, such as spouses, partners, parents and children. Out-of-country Article 8 applications will have to be made by the UK-based sponsor, rather than the overseas family member, to ensure entry clearance decisions focus on the Article 8 rights of individuals within the UK's jurisdiction.

Pillar 4: Modern Slavery: Obligations will be clearly set out to prevent opportunities to misuse the system while maintaining essential protections for victims. This includes addressing late presentation of modern slavery experience, which can significantly prolong the time taken to identify individuals and move them through the system; providing law enforcement with enhanced tools to reduce exploitation; improving transparency in supply chains requirements to improve business accountability and identification of modern slavery risks; and embedding provisions to ensure children are identified and supported effectively.

Pillar 5: Measures to strengthen the UK's Asylum and Immigration System: A 'single definition of protection' claim will be set out, combining refugee status and humanitarian protection. Interpretative measures of the Refugee Convention (RC) will be introduced so those who have committed a particularly serious crime are not classed as "lawfully staying".⁴

3. Further detail on the measures included in each Pillar is included in the Evidence Base below.

2. Strategic case for proposed regulation

4. UK asylum claims were up by 74 per cent in 2025 compared to 2021, while the EU+ (including EEA) has seen a 26 per cent increase in the same period. Between 2021 and 2025, 446,000 UK asylum claims have been made⁵, while 33,000 asylum-related returns have been carried out in the same period.⁶
5. 98,000 asylum seekers were receiving support at the end of March 2026, the vast majority of whom (94,000) are in asylum accommodation provided by government. This cost £4 billion in 2024 to 2025.⁷ Analysis shows that, of refugees who were granted asylum between 2015 and 2023, 50 per cent of refugees were in employment after eight

⁴ See footnote 3

⁵ Immigration system statistics data tables: Asylum claims and decisions – GOV.UK:

<https://www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#asylum>

⁶ Immigration system statistics data tables: Returns – GOV.UK: <https://www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#returns>

⁷ Home Office: Annual Report and Accounts, 2024-25 – GOV.UK:

https://assets.publishing.service.gov.uk/media/688c9785a34b939141463e37/HO_ARA_2024-25_Book_WEB_Final_v3+CorrSlip.pdf

years. It is likely that most of the remaining percentage were still in receipt of welfare benefits.⁸

6. In the year ending March 2026, there were 42,943 grants of refugee status and 3,851 grants of humanitarian protection⁹. Introducing a single definition of protection will simplify asylum decision-making and clarify the entitlements afforded to those in need of protection.
7. Article 8 rights are also being used to stop removal of those who are living here illegally or who have committed serious offences. In January 2022 to September 2022, 86 per cent of people who raised rights-based applications while in detention awaiting removal were released¹⁰. The Article 8 reforms are one of the measures with direct business impacts as a result of this Bill.
8. More than two in five people detained for removal between January 2022 and September 2022, were referred as potential victims of modern slavery.¹¹ Repeated or late presentation of information, which leads to referrals into the system, can significantly increase the time taken to remove individuals with no right to remain in the UK - even if they are not and have never been - a victim of modern slavery. The modern slavery transparency in supply chains reform is one of the measures with direct business impacts as a result of this Bill.
9. National Referral Mechanism (NRM) referrals for children have increased by 537 per cent over the past 10 years to a record high of 7,028 in 2025¹². Strong and efficient identification and support routes for children are central to maintaining timely interventions for vulnerable victims. While the European Convention on Action Against Trafficking in Human Beings 2005¹³ (ECAT 2005) and the ECHR set high-level obligations for victim identification and support, implementation varies significantly across signatory states, with the UK opting to formalise identification processes within a structured decision-making system, whereas other signatories rely more on flexible, indicator-based assessments embedded into existing policing structures.

3. SMART objectives for intervention

10. The proposals create legislation which will:
 - Strengthen enforcement by increasing the removal of those without the right to remain and creating a faster and more efficient IIAA.
 - Reduce opportunities for misuse of the system while maintaining essential protections by reforming modern slavery legislation and tightening the use of

⁸ Refugee Integration Outcomes (RIO): Employment from 2015 to 2023: <https://www.gov.uk/government/publications/refugee-integration-outcomes-rio-employment-from-2015-to-2023/how-many-refugees-are-in-employment>

⁹ Immigration system statistics data tables: Asylum claims and decisions – GOV.UK: <https://www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#asylum>

¹⁰ Issues raised by people awaiting return, internal Home Office analysis. Figures are for people who were being removed following immigration offences, not FNOs. Includes rights-based applications on other grounds besides Article 8.

¹¹ Issues raised by people awaiting return, internal Home Office analysis. Figures are for people who were being removed following immigration offences, not FNOs. Includes rights-based applications on other grounds besides Article 8.

¹² Modern Slavery: NRM and Duty to Notify (DtN) statistics, end of year summary 2025: <https://www.gov.uk/government/statistics/modern-slavery-nrm-and-dtn-statistics-end-of-year-summary-2025>

¹³ Council of Europe Convention on Action against Trafficking in Human Beings CM 8414: <https://assets.publishing.service.gov.uk/media/5a75ae20e5274a545822d636/8414.pdf>

Article 8 of the ECHR. Provide law enforcement with enhanced tools to reduce exploitation and strengthen expectations on businesses and public bodies to address modern slavery in their supply chains.

- Introduce a new asylum system model based on contribution, integration, and respect for the law through simplifying protections into a single “core protection” status; clarifying when protection can be revoked; and requiring supported asylum seekers to contribute to costs once able to do so.

4. Description of proposed intervention options and explanation of the logical change process whereby this achieves SMART objectives

11. To meet the objectives set out in Section 3 above, the preferred intervention option is to introduce the Bill.
12. This section sets out the causal pathway through which legislative inputs are expected to generate outputs and, ultimately, achieve the intended policy outcomes. It explains how specific policy inputs lead to operational outputs, which in turn generate short- and medium-term outcomes, ultimately contributing to the strategic objectives outlined in Section 3.
13. **Pillar 1: Appeals reform:** This intervention aims to restore order and control to the immigration system and speed up the removal of those with no right to be in the UK. The creation of a new IAA is designed to increase capacity and speed up appeals whilst maintaining fairness, independence and quality of decision-making. The new appeals body aims to provide a single appeal route and will consist of appropriately trained adjudicators who will be able to determine a larger volume of cases than is the case today and prioritise appeals in the public interest. By widening the recruitment pool in comparison to the First Tier Tribunal of the Immigration and Asylum Chamber (FTT-IAC), the new body will be able to recruit a greater number of decision-makers than there currently are judges, and consequently make decisions more quickly, restoring order and control to the immigration system. These appeals reforms aim to reduce the time that applicants wait for appeal decisions to be made and reduce the time they spend in the system during repeated appeals, as well as enabling immediate enforced removal of those who have exhausted all appeals, thus speeding up the removal and deportation of those not eligible to remain in the UK.
14. **Pillar 2: Recovering asylum support costs:** This intervention introduces a requirement that those who benefit from the asylum system should contribute towards it when they can, which has the short term outcome of moving perceptions away from consequence-free availability of asylum support and towards a proportionate system based on contribution and fairness for both the migrant and the taxpayer in the long term. The primary aim of this measure is to reduce the costs attached to the operation of a properly functioning immigration and asylum system.
15. **Pillar 3: ECHR, Article 8 reform:** This intervention tightens the application of Article 8 (right to family and private life) by increasing the weight given to the public interest test and defining family life. These changes are expected to reduce the proportion of successful claims and successful appeals under Article 8 in the short term. The Home Office estimates that migrants granted visas in country due to an Article 8 claim (main

applicant) present a net lifetime fiscal cost to the taxpayer of £141,000 per person (this cost when applied to the cohort of main applicants granted Article 8 in 2025 is estimated at £4.9 billion).¹⁴ The measures in this Bill aim to reduce some of this cost over the longer term. Whilst this results in a monetised cost over the appraisal period, uncoded behavioural impacts and longer-term savings could result in overall fiscal benefits.

16. **Pillar 4: Modern Slavery:** Aims to future proof the modern slavery identification and support system to sustainably, effectively and efficiently identify and support individuals, while reducing opportunities to misuse the system, and speeding up the removal and deportation of illegal migrants through addressing opportunities for misuse. Interventions will encourage early disclosure of modern slavery experiences and strengthen the consequences applied to late disclosure in decision-making processes. By reducing the number of late-stage referrals and enabling earlier identification of unsubstantiated claims, these measures are expected to shorten the length of time individuals remain in the system and support earlier removals where appropriate. Other measures aim to provide enhanced powers for law enforcement to tackle exploitation and improve transparency in supply chains requirements to improve business accountability and identification of modern slavery risks.
17. **Pillar 5: Measures to strengthen the UK's Asylum and Immigration System:** This intervention intends to create a single definition of protection, in place of the current two-part framework. By removing the need to distinguish separately between refugee status and humanitarian protection, it is expected to simplify decision-making and reduce unnecessary appeals in the short term, and support a faster, more efficient asylum process in the long term. By defining lawfully staying, this Bill ensures that serious criminals who are excluded from refugee protection, but who cannot be removed from the UK due to ECHR obligations, do not have the same entitlements as refugees who comply with UK law.

5. Summary of long-list and alternatives

18. The government's statement on asylum and returns policy¹⁵ sets out principal commitments to restore order and control of the immigration system through the reforms which this Bill enables.
19. As this legislation forms part of a published policy commitment, a long list of policy options was not developed for this impact assessment. Consideration was given to non-regulatory options and the impacts to small and micro businesses and is detailed in section D below.

Small and Micro Business Assessment

20. The measures in the preferred option with direct business impacts are the Article 8 reforms and the modern slavery transparency in supply chains reforms. The Article 8 reforms are expected to create low one-off familiarisation costs for a limited part of the legal services market. The modern slavery reforms are expected to create one-off familiarisation costs and low ongoing administrative costs associated with uploading statements to the central reporting service on GOV.UK for organisations already in

¹⁴ Home Office analysis: Article 8 lifetime fiscal cost. See Annex A2.

¹⁵ Restoring Order and Control: A statement on the government's asylum and returns policy (accessible) - GOV.UK: <https://www.gov.uk/government/publications/asylum-and-returns-policy-statement/restoring-order-and-control-a-statement-on-the-governments-asylum-and-returns-policy#part-i-reducing-arrivals>

scope of the regime. The preferred option is not expected to have an especially high impact on small and micro businesses, or on businesses with between 50 and 499 employees. This is because the measures with direct business impacts are limited in scope and mainly create low familiarisation and administrative costs.

21. For modern slavery reporting, small and micro businesses are largely exempt in practice because the regime applies only to businesses with a turnover of £36 million or more and it is likely to have limited impact on small and medium sized businesses. These measures do not introduce modern slavery reporting for the first time, but strengthen the existing regime by standardising reporting requirements, requiring publication on a central service, and introducing clearer enforcement and accountability mechanisms. For businesses in scope, mitigation will focus on minimising administrative burden through clear guidance, a standardised reporting framework, and a simple central reporting service. A further exemption for in-scope organisations is not proposed because the policy objective depends on a consistent and comparable reporting regime across organisations covered by the duty.
22. For the Article 8 reforms, exemption is not practicable because any legal representative advising on these matters will need to understand the changed legal framework regardless of firm size. The main mitigation is to minimise compliance costs through clear guidance and a simple, standard reporting process. The department does not yet have sufficiently granular evidence to produce well evidenced, size-specific estimates, but the available evidence indicates that the direct impacts on small and micro businesses are limited and not disproportionate.

6. Description of shortlisted policy options carried forward

23. This impact assessment focuses on a limited number of options, given that the government's policy commitment to the immigration system includes all reforms set out in this Bill. The Home Office has considered the preferred approach against a counterfactual 'Do nothing' option.
24. The government has taken forward two options:
 - Option 0: 'Do nothing'. Do not implement the proposals outlined in the Bill. The 'Do-nothing' option would not achieve the desired policy objective.
 - Option 1: Full Implementation of the Bill in which all measures outlined in this impact assessment are introduced.
25. Option 1 is the government's preferred option as it meets the strategic and policy objectives for immigration system reform.

7. Regulatory scorecard for preferred option

Part A: Overall and stakeholder impacts

(1) Overall impacts on total welfare		Directional rating Note: Below are examples only
Description of overall expected impact	The overall rating of the measures within the Bill is assessed to be Uncertain . This reflects the complexity of operational changes required to implement the measures within the Bill, which are still being developed. Work is ongoing to refine the delivery approach and to develop a more comprehensive understanding of the costs and benefits, particularly for Pillars 1 and 2. The overall expected impact within each pillar is described below:	Overall: Uncertain Based on all impacts (incl. non-monetised)
	Pillar 1 – Appeals reform - Uncertain . Although positive impacts are anticipated from faster appeals processing, the scale and timing of these benefits remain unclear, and associated costs are also uncertain. This reflects the fact that the implementation plans for the IIAA are not yet fully developed, and further work is required to understand how its operation will impact the wider appeals system.	Pillar 1: Uncertain
	Pillar 2 – Recovering asylum support costs - Uncertain . While positive impacts are expected from reducing the cost of asylum support to the taxpayer, implementation plans remain at an early stage, and the potential public sector administrative costs or behavioural impacts have yet to be fully assessed.	Pillar 2: Uncertain
	Pillar 3 – Article 8, ECHR reform - Uncertain . While the impact of the policy measured over the appraisal period results in an overall net cost, non-monetised behavioural impacts such as a deterrent impact, or benefits from reduced criminality by removing FNOs, could mitigate this cost. The fiscal impact of the Article 8 cohort becomes more negative over a longer time period than the 10-year appraisal period, resulting in an increased benefit if they were to leave the UK. There is also a non-monetised benefit of reduced criminality through the removal of FNOs	Pillar 3: Uncertain

	<p>Pillar 4 – Modern Slavery - Uncertain. Measures may result in some potential and confirmed adult victims having their access to support limited in certain circumstances. However, other measures strengthen protections for child victims and may encourage businesses to identify more potential victims in their supply chains. Due to uncertainty around the scale of these impacts and the associated increase in criminal justice and administrative costs, it is unclear whether the overall impact will be positive.</p>	<p>Pillar 4: Uncertain</p>
	<p>Pillar 5 – Measures to strengthen the UK's Asylum and Immigration System. Positive, due to negligible costs of measures against non-monetised public sector administration benefits.</p>	<p>Pillar 5: Positive</p>
Monetised impacts	<p>A total -£329.1 million to £226.4 million Net Present Social Value (NPSV) is expected from the measures contained within the Bill, with a central estimate of -£50.5 million over the 10-year appraisal period. The scale of this range results in an Uncertain score overall. There may be interactions between measures across Pillars which have not been accounted for in the NPSV.</p>	<p>Overall: Uncertain Based on likely £NPSV.</p>
	<p>Pillar 1 – Appeals reform – Neutral. No costs have been monetised at this stage.</p>	<p>Pillar 1: Neutral</p>
	<p>Pillar 2 – Recovering asylum support costs - Neutral. No costs have been monetised at this stage.</p>	<p>Pillar 2: Neutral</p>
	<p>Pillar 3 – Article 8, ECHR reform - Uncertain. A total -£327.7 million to £235.7 million NPSV is expected from the Article 8 measures contained within the Bill, with a central estimate of -£46.0 million over the 10-year appraisal period.</p> <p>The 10-year appraisal period provides only a partial picture of the fiscal impact of the Article 8 cohort. A significant proportion of the fiscal contributions from this cohort occur during the first 10 years, whilst fiscal pressures associated with healthcare, pensions and wider public services tend to increase longer term.</p> <p>As the policy is expected to refuse Article 8 permission to stay applications from migrants already within the UK, there will be considerable upfront costs, such as the expected increase in the</p>	<p>Pillar 3: Uncertain Whilst the NPSV for the 10-year appraisal period is negative, the longer-term fiscal impact of Pillar 3 is likely to be positive.</p>

	<p>number of appeals and removals. There will also be revenue foregone from visa fees and Immigration Health Surcharge (IHS) payments, as migrants would have been on a 10-year route to settlement.</p> <p>Whilst the NPSV for the 10-year appraisal period is negative, costs incurred from this cohort are greater when measured over the longer term, as costs increase with age. The Home Office estimates that migrants granted visas due to Article 8 claims present a net lifetime fiscal cost to the taxpayer of £141,000 per person (see Annex A2 for methodology and estimates of the cost of 2025 Article 8 cohort), representing a saving for those refused or deterred as a result of this Bill.</p>	
	<p>Pillar 4 – Modern Slavery – Negative. Monetised costs related to the criminal justice system and business administration outweigh monetised benefits.</p>	<p>Pillar 4: Negative</p>
	<p>Pillar 5 – Measures to strengthen the UK's Asylum and Immigration System – Negative. There are familiarisation costs and no monetised benefits identified, although non-monetised benefits are expected to be positive.</p>	<p>Pillar 5: Negative</p>
<p>Non-monetised impacts (costs and benefits)</p>	<p>The overall rating of the measures within the Bill is assessed to be Uncertain. This is based on the unknown scale of the non-monetised benefits to outweigh the non-monetised costs. The overall impact within each pillar is described below:</p>	<p>Overall: Uncertain</p>
	<p>Pillar 1 – Appeals reform – Uncertain. There are likely to be significant non-monetised benefits associated with reduced appeals waiting times and impact on the supported population. However, it has not been possible to provide an estimate of the costs of creating an IIAA at this stage, nor quantify the associated benefits. The Home Office assesses that the benefits are likely to outweigh the cost, though this cannot be evidenced at this time.</p>	<p>Pillar 1: Uncertain</p> <p>While the Home Office assesses that the non-monetised benefits are likely to outweigh the costs, this cannot be evidenced at this time.</p>

	<p>Pillar 2 – Recovering asylum support costs - Uncertain. The overall impact remains unclear due to uncertainty around the scale of administrative costs to implement this measure and the extent to which recouping and deterrence benefits will be realised.</p>	<p>Pillar 2: Uncertain</p>
	<p>Pillar 3 – Article 8, ECHR reform - Positive. There is a potential longer term deterrence impact of the Article 8 reforms as fewer migrants may arrive in the UK if it is known to be more difficult to be granted permission to enter or stay. The scale of this impact is unknown and not quantified.</p> <p>There is also a non-monetised benefit of reduced criminality through the removal of FNOs. There is also an impact for migrants that are refused an Article 8 claim due to the Bill but remain within the UK, which has not been monetised – the overall impact will depend on the balance between revenue foregone and public spending saved. There are wider non-monetised impacts including improved perceived fairness, and wider social implications such as family separation.</p>	<p>Pillar 3: Positive</p>
	<p>Pillar 4 – Modern Slavery - Uncertain. Non-monetised benefits associated with reduced support costs for adults, improved accountability and incentives to address modern slavery and improved protections for children.</p> <p>It has not been possible to monetise the potential for poorer recovery outcomes which may follow from reduced time in support for some adult victims, and additional administrative pressures.</p>	<p>Pillar 4: Uncertain</p>
	<p>Pillar 5 - Measures to strengthen the UK's Asylum and Immigration System - Positive. Increased caseworker productivity and reduced onwards appeals related to removing humanitarian protection decisions in addition to reduced complexity related to introducing Core Protection outweighs negligible lost travel documentation revenue and administration costs.</p>	<p>Pillar 5: Positive</p>
<p>Any significant or adverse distributional impacts?</p>	<p>Equalities considerations have been made in respect of the measures and are covered separately in the Equalities Impact Assessment (EIA) for the Bill.</p>	<p>Neutral</p>

(2) Expected impacts on businesses		
Description of overall business impact	The business impact of the measures within the Bill is assessed to be Positive . Overall, it is assessed that the non-monetised impacts will outweigh the monetised costs.	Positive
Monetised impacts	There is estimated to be a small negative cost to business due to this Bill. This is based on a -£2.1 million Business Net Present Value (NPV) and £0.2 million Equivalent Annual Net Direct Cost to Business (EANDCB). These expected costs come from measures where businesses must familiarise with this legislation due to Pillar 3 (Article 8 reform) and Pillar 5 (Measures to strengthen the UK's Asylum and Immigration System) , as well as improve reporting practices relating to Pillar 4 (Modern Slavery) .	Negative
Non-monetised impacts	There is a potential for non-monetised benefits of reduced criminality due to Pillar 3 (Article 8, ECHR reform) through the removal of FNOs, and across all pillars through improved public confidence in the immigration system. This is likely to improve the business environment in the UK, though it is not possible to monetise this impact.	Positive
Any significant or adverse distributional impacts?	It is not expected that the measures contained within this Bill will cause any significant or adverse distributional impacts to businesses.	Neutral
(3) Expected impacts on households		
Description of overall household impact	The household impact of the measures within the Bill is assessed to be Neutral .	Neutral
Monetised impacts	It is not expected that there will be any monetised impacts on households as a result of the measures in the Bill.	Neutral

<p>Non-monetised impacts</p>	<p>It is expected that there will be non-monetised impacts to households from the Bill, though the scale is Uncertain.</p> <p>Pillar 3 (Article 8, ECHR reform) – Uncertain. There might be negative wider social implications if migrant families choose to separate due to the Bill. There will also be benefit to households through reduced risk of criminality by removing FNOs from the UK, and improved public confidence in the immigration system.</p>	<p>Uncertain</p>
<p>Any significant or adverse distributional impacts?</p>	<p>It is not expected that the measures contained within the Bill will cause any significant or adverse distributional impacts to households.</p>	<p>Neutral</p>

Part B: Impacts on wider government priorities

Category	Description of impact	Directional rating
<p>Business environment:</p> <p>Does the measure impact on the ease of doing business in the UK?</p>	<p>Overall, it is assessed that this Bill supports the business environment of the UK.</p> <p>Pillar 3 (Article 8, ECHR reform) - The removal of FNOs reduces the risk of repeat offending and further criminality which is likely to improve the business environment in the UK, though it is not possible to monetise this impact.</p>	<p>Supports</p>
<p>International Considerations:</p> <p>Does the measure support international trade and investment?</p>	<p>Measures in this Bill are not expected to have an impact on trade.</p>	<p>Neutral</p>
<p>Natural capital and Decarbonisation:</p> <p>Does the measure support commitments to improve the environment and decarbonise?</p>	<p>It is not expected that the measures in the Bill will have any impact on the state of UK natural capital and decarbonisation of the economy. It is also not expected that the measures in the Bill will have any effect on the environment or greenhouse gas emissions.</p>	<p>Neutral</p>

8. Monitoring and evaluation of preferred option

- The Home Office will monitor and evaluate measures within the Bill. The department is establishing appropriate monitoring and evaluation strategies with programme stakeholders for relevant programme structures within the Home Office that will implement the changes set out in this Bill.

27. The programme monitoring will involve collecting and analysing data from a range of indicators and data sources to monitor whether the measures introduced are meeting the objectives set. Evaluation will be conducted in line with HM Treasury Magenta Book¹⁶ principles to provide detailed insight on the process, impact, and value for money of changes implemented and will be integrated into the implementation of the Bill.
28. The measure with the largest impact on business is transparency in supply chains in Pillar 4 (Modern Slavery). Implementation of this measure will be monitored through the reporting requirement created as a result of this Bill.

9. Minimising administrative and compliance costs for preferred option

29. The administrative and compliance costs of the Bill are expected to be minimal. There are one-off familiarisation costs where familiarisation time is minimal, set out in section C of the Evidence Base.
30. There will be set-up familiarisation costs to government and law enforcement agencies, who will need to familiarise themselves with the new legislation. These groups and individuals will need guidance, policy instructions, and training aligned with operational implementation for teams to follow to perform their duties.
31. One-off familiarisation costs for legal professionals in the immigration sector are expected as the change in legislation will mean that lawyers, solicitors, and other legal professionals will have to familiarise themselves with the revised Article 8 regime for those subject to deportation.
32. Ongoing costs to the private sector are expected to be minimal. The government will ensure that, where appropriate, guidance is published to ensure all stakeholders have the information required to make necessary adjustments.

10. Main assumptions / sensitivities and economic / analytical risks

33. Assumptions which apply to the appraisal of all measures in this impact assessment are as follows:
 - The appraisal period for measuring the impacts of the proposed new legislation is 10 years.
 - The appraisal period starts in 2027/28, ending in 2036/37 and assumes Royal Assent and operationalisation from 2027/28.
 - A 3.5 per cent annual social discount rate is used.
 - Annual costs and benefits are in 2027/28 prices.
 - Present Values (PV) are in 2027/28 prices.
 - All costs and benefits are relative to the 'do nothing' Option.

Risks

¹⁶ The Magenta Book - GOV.UK: <https://www.gov.uk/government/publications/the-magenta-book>

34. The main analytical risk is an absence of monetised analysis. The level of current available data and evidence as well as developing policy and implementation plans at the time of writing meant it was not possible to monetise all costs and benefits. There is a risk that costs and benefits would be higher than it has been possible to estimate, due to this limited evidence base, meaning overall impact may differ. This will be mitigated by the rigorous monitoring and evaluation programme outlined in Section 8.
35. There is a further risk that non-monetised analysis underestimates the impact of this Bill. In particular the costs and benefits of the IIAA and the potential benefit of reduced criminality due to the removal of FNOs through Article 8 measures.
36. There is a general analytical risk that the interaction between policies included in this Bill has not been thoroughly assessed due to the limited evidence base for novel policies.

Declaration

Department:

Home Office

Contact details for enquiries:


SecondSessionBillTeam@homeoffice.gov.uk

Minister responsible:

Minister for Border Security and Asylum

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

Signed:

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

Date:

22/06/2026

Summary: Analysis and evidence

For Final / Enactment Stage Impact Assessment, please finalise these sections including the full evidence base. For a Consultation Stage Impact Assessment, these sections can be in less detail with evidence gaps highlighted.

Price base year:

2027/28

PV base year:

2027/28

		Option 0. 'Do nothing'. Business as usual (baseline) Do not implement the proposals outlined in the Bill.	Option 1. Preferred way forward Full Implementation of the Bill in which all measures outlined in this impact assessment are introduced.
Costs (£m)	Low	-	1,814.8
	High	-	2,200.7
	Best	-	2,006.8
		-	Of which: £2.9 million in set-up costs £2,003.9 million in ongoing costs
Benefits (£m)	Low	-	1,485.7
	High	-	2,427.1
	Best	-	1,956.3
		-	Of which: £1,956.3 million in ongoing public benefits
Net present social value (£m)	Low	-	-329.1
	High	-	226.4
	Best	-	-50.5

	<p>Option 0. ‘Do nothing’. Business as usual (baseline) Do not implement the proposals outlined in the Bill.</p>	<p>Option 1. Preferred way forward Full Implementation of the Bill in which all measures outlined in this impact assessment are introduced.</p>
<p>Public sector financial benefits and costs</p>	<p>-</p>	<p>Quantified public sector benefits occur in Pillars 3 and 4, with additional significant unquantified benefits expected across other pillars. All pillars involve a combination of costs and benefits, many of which are not yet fully monetised</p> <p>Pillar 1 – Appeals Reform. Significant benefits are expected from reduced waiting times for appeals, reduced barriers to removal, and reduced supported population. Substantial costs are also anticipated, including those associated with establishing the IIAA (such as transition costs, Legal Aid and Upper Tribunal impacts), although these are not yet monetised and are expected to be lower than the long-term cost of the FTT-IAC.</p> <p>Pillar 2 – Recovering asylum support costs. Intended to reduce asylum support burden on the taxpayer, generating fiscal benefits. These must be weighed against the administration costs associated with setting up and operating a cost recovery mechanism, which remain uncertain at this stage of implementation.</p> <p>Pillar 3 – Article 8, ECHR Reform. Benefits are expected from increased visa refusals on Article 8 grounds, including reduced welfare payments and demand for public services. These benefits are counteracted by potential reduced HMRC and Home Office revenues, increased appeals (including further submissions), and the cost of removing individuals from the UK.</p> <p>Pillar 4 – Modern Slavery. Crime reduction from enforcement alongside lower fiscal pressures and reduced appeal costs from changes to Temporary Permission to Stay (TPS). In parallel, there will be increased policing and criminal justice system activity, administrative pressures on public bodies and businesses, and reduced income associated with TPS grants. There is also likely to be an increase in appeals linked to measures to withdraw support and expand the disqualification threshold.</p>

		<p>Pillar 5 – Measures to strengthen the UK's Asylum and Immigration System. Impacts are expected from increased caseworker productivity and reduced complexity related to introducing Core Protection. Costs are expected to be relatively limited in scale and short term, related to set-up and familiarisation with the new system.</p>
<p>Significant un-quantified benefits and costs</p>	<p>-</p>	<p>Un-quantified benefits and costs include:</p> <p>Pillar 1 - Appeals reform. Significant non-monetised benefits associated with reduced appeals waiting times and reduced supported population, as well as improved public confidence and swifter appeal conclusions. Significant non-monetised costs covering the complexity of transitioning to an IIAA and the potential implications for the Upper Tribunal and Legal Aid.</p> <p>Pillar 2 – Recovering asylum support costs. Non-monetised benefits associated with cost recovery and potential deterrence effects, alongside costs related to the set-up and ongoing administration of a cost recovery system.</p> <p>Pillar 3 – Article 8, ECHR reform. Behavioural impacts such as any reduction in cost from increased deterrence from the impact of tighter rules and reduction in barriers to removal, or the impact of increased illegal migration have not been estimated due to an absence of evidence. There are also wider non-monetised impacts from reduced misuse of the Article 8 route, including improved perceived fairness and public confidence in upholding the rules-based order of the immigration system, and wider social implications such as family separation. The impact is measured over a 10-year appraisal period, which understates the estimated lifetime fiscal cost of a migrant granted under Article 8. The Home Office estimates the lifetime fiscal cost of a main applicant of the family and private life visa grantee (proxy for Article 8) is £141,000 (discounted).¹⁷ See Annex A2 for methodology and estimates of the cost of 2025 Article 8 cohort.</p> <p>Pillar 4 – Modern Slavery. Non-monetised benefits associated with reduced support costs, improved system efficiency, greater transparency and accountability, and stronger incentives to reduce modern slavery. These are balanced against risks of</p>

¹⁷ Home Office analysis - lifetime fiscal cost (see Annex A2)

		<p>increased litigation following the expanded disqualification threshold, potential for poorer recovery outcomes which may follow from reduced time in support for some adult victims, administrative pressures on public bodies and businesses, and wider impacts including those stemming from enforcement penalties and reduced access to work for some victims.</p> <p>Pillar 5 – Measures to strengthen the UK's Asylum and Immigration System. Increased caseworker productivity and reduced onwards appeals expected to outweigh negligible lost travel documentation revenue and administration costs.</p>
Key risks	-	<p>Every effort has been made to ensure the analysis in this impact assessment presents the best possible estimate of the likely impact of the options. Several measures within the Bill are novel in their approach to changing the immigration system, so it has not been possible to accurately estimate the full impact of these measures. Specific risks are outlined within the evidence base, including the application of optimism bias where relevant.</p>
Results of sensitivity analysis	-	<p>No sensitivity tests undertaken.</p>

Evidence base

A. Strategic objective and overview

Pillar 1: Appeals reform

Background

1. Immigration and asylums appeals are heard by the First Tier Tribunal Immigration and Asylum Chamber (FTT-IAC). The FTT-IAC caseload is 152,000¹⁸ (as of end of March 2026), and the backlog of awaiting appeals continues to grow, with current waiting times of around 60 weeks.
2. In the FTT-IAC, the meantime taken to clear appeals across all categories is at 61 weeks across January to March 2026, which is 11 weeks longer compared to the same period in 2025. Asylum/Protection, Human Rights and EEA Free Movement had mean times taken of 67, 71, and 46 weeks respectively.¹⁹
3. These delays mean that as cases remain in the system for longer, the potential for allowed appeals also increases, as further rights could be accrued and new circumstances could arise. This, in turn, reduces the Home Office's ability to enforce removals and deportations swiftly.

Problem under consideration and rationale for intervention

4. There is a need to address systemic issues within the appeals system. While judicial sitting days have increased, the FTT-IAC still lacks sufficient capacity to meet demand. Strengthening the existing FTT-IAC would require a fundamental redesign of how the FTT-IAC operates. Under the current structure, implementing reforms of this scale would take several years and the ability to fully achieve the intended policy objectives and significantly scale up capacity would likely be constrained.
5. Establishing a new IAA will allow the system to build capacity to cope with higher levels of demands. It will allow cases to progress through the system fairly and cost-effectively whilst providing the capacity to accelerate cases in the public interest, including those that are imminently removable.

Policy objective

6. Some of the measures include (not exhaustive):
 - **Establishing a new public body:** Confirming the status of the IAA as a statutory body corporate and non-departmental public body.
 - **Remit and transitional period:** IAA will be responsible for handling all the same types of immigration and asylum appeals which are currently heard in the FTT-IAC and have the power to determine appeals and bail applications. Commencement orders will incrementally increase the number of cases that are to be heard by the IAA and not the FTT-IAC.
 - **Onward appeals:** Provide onward appeals to the Upper Tribunal on points of law only.

¹⁸ Tribunal Statistics Quarterly: January to March 2026 - GOV.UK: <https://www.gov.uk/government/statistics/tribunals-statistics-quarterly-january-to-march-2026/tribunal-statistics-quarterly-january-to-march-2026>

¹⁹ Tribunal Statistics Quarterly: January to March 2026 - GOV.UK: <https://www.gov.uk/government/statistics/tribunals-statistics-quarterly-january-to-march-2026/tribunal-statistics-quarterly-january-to-march-2026>

- **Organisational structure including adjudicators:** Setting out the senior statutory roles within the IAA, including their powers, duties and status. This includes establishing the role of the adjudicator, who would be employees of the IAA and have the power to determine appeals and bail applications.
- **IAA rules:** To enable fair and independent operational processes, the IAA will have the ability to set out procedural rules via secondary legislation.
- **Statutory timeframes:** Setting out appeal types that must be determined within a specified period. Where timeframes are exceeded, rationale must be provided through established reporting mechanisms.
- **Late claims:** Power to issue a notice to individuals encountered by Immigration Enforcement, who have no right to be in the UK, to submit any reasons they have for remaining in the UK and any relevant modern slavery information by a specified date. If they do not raise a claim by that date, only to bring one later once they have entered immigration detention, or they have been given notice of departure details, that claim and any subsequent appeal will be subject to an expedited process. The fact that a person is subject to the late claims process will be a factor for consideration in bail decisions. Further, the procedure rules must make provision for an IAA adjudicator to take account of late claims/evidence; as damaging the credibility of an appellant who is subject to the late claims process unless there are good reasons why the information was provided late. If they do not raise modern slavery information, only to do so later once they have entered immigration detention or they have been given notice of departure details, that will damage the individual's credibility where a Modern Slavery decision is being made, unless there are good reasons presented for late disclosure, and if made late and post a removal notice being given, then the individual will be disqualified on bad faith grounds unless compelling circumstances apply.
- **Legal advice/representation:** Ensuring parity of legal advice and representation across the IAA and FTT-IAC alongside a validity requirement for appeals which requires appellants to confirm whether they have received legal advice/representation or not, whether they want advice or not, if so, what they have done to secure it, and if not, whether they are content to proceed.

Indicators of success

7. Indicators of success will be:

- Providing a fair and effective remedy against all immigration and asylum appeals.
- Increased capacity in the appeals system to manage demand.
- Reduced waiting times for an appeal to be determined.
- Increased removals: People in the system facing removal will go through an expedited claims and appeals process. Those who present modern slavery information only after entering immigration detention will damage their credibility where a modern slavery decision is being made. This is to ensure late claims do not suspend removals.
- Greater transparency on the case management processes underpinning appeals.

Pillar 2: Recovering asylum support costs

Measure 8: Recovering asylum support costs

Background

8. The government is working to build an immigration system based on fairness, integration and contribution, and restoring order and ensuring value for money is being put at the heart of the UK asylum system. This means making the necessary decisions to protect the taxpayer and uphold the integrity of the UK's borders.
9. In doing so the government must balance the rights of people who claim asylum or are here without legal status, with the wider public interest, particularly where the cost to the taxpayer can mean diverting money away from spending which benefits UK citizens and those here legally.

Problem under consideration and rationale for intervention

10. Asylum support in the UK, which is governed by the Asylum Support Regulations 2000²⁰ (Statutory Instrument 2000 No.704) and the Immigration and Asylum Act 1999²¹, does not permit recovery of asylum support that has been lawfully and properly paid. Current provisions on recovering costs are limited to specific circumstances such as overpayments or payments obtained through misrepresentation.
11. The asylum system imposes a significant fiscal burden, with asylum support alone costing approximately £4 billion in financial year 2024/25. These pressures undermine the sustainability of the system and public confidence in its fairness. The Home Office intends to ensure that the offer of accommodation is decent and humane whilst avoiding any possibility of it becoming a pull factor or placing an excessive burden on the taxpayer.
12. The cost of asylum support is an unsustainable burden on the taxpayer and needs to be addressed as part of the wider intent to create a much firmer, but fair, system. The provision of support from the State is not without consequence, particularly given the majority of people applying for asylum (56% in 2024)²² are found not to need protection. Those choosing to come to the UK and enter the asylum system will be expected to contribute when they are financially able to regardless of the outcome of their claim.
13. Increasing the economic consequences of seeking asylum, particularly for those paying smugglers, has the potential to help deter illegal journeys and disrupt the criminal networks enabling them. The expectation, that those coming to the UK should contribute to their stay, may also discourage those that are not willing to do so.

Policy objective

14. The legislation will provide the Home Secretary with powers to recover the costs of asylum support provided under section 4 and section 95 of the Immigration and Asylum Act 1999.

²⁰ The Asylum Support Regulations 2000: <https://www.legislation.gov.uk/uksi/2000/704/contents>

²¹ Immigration and Asylum Act 1999: <https://www.legislation.gov.uk/ukpga/1999/33/contents>

²² Immigration system statistics data tables: Asylum claims and decisions – GOV.UK: <https://www.gov.uk/government/statistical-data-sets/immigration-system-statistics-data-tables#asylum>

15. The recovery cost will be a contribution, based on a flat rate, and will not be repaid until the individuals are financially able to do so. The threshold of recovery will not be set at a level that could mean a person falls into destitution.
16. Children will be exempt from the measure, and other exemptions – including modern slavery – will be set out in secondary legislation.
17. The Home Office will be given the power to recover the costs directly and there will be additional powers for HMRC to recover via the taxation system (awaiting final clearance from HMRC through WR process). Recovery can also be sought via the benefits system (payments deducted from Universal Credit allowance), and no additional legislation is required for this mechanism.
18. Details of the repayment mechanisms, including the flat rate and thresholds for repayment will be set out in secondary regulations that will be developed during the passage of the Bill.
19. The changes will come into effect prospectively and all those applying for asylum after commencement date will be liable for repayments unless otherwise exempt.

Indicators of success

20. The change will lower the cost to the taxpayer by enabling the recovery of some of the costs incurred for providing asylum support (accommodation and subsistence) from individuals who have the financial means.
21. The legislation will improve the public perception of the asylum support system by improving fairness for the taxpayer and beneficiaries of support.
22. Requiring individuals to make repayments for their asylum costs may discourage people from making the journey to the UK.

Pillar 3: Article 8 of the European Convention on Human Rights reform

Measure 9: How and when to make an Article 8 claim

Background

23. Article 8 ECHR allows individuals to rely on their right to private and family life to enter and remain in the UK as well as challenge decisions to refuse them entry or remove them. Applications must be considered and leave to remain or entry clearance may need to be granted, even if the Immigration Rules are not met, where refusal would breach Article 8.

Problem under consideration and rationale for intervention

24. The UK's responsibility under Article 8 ECHR is primarily owed to the family member who is living in the UK, rather than the applicant who is overseas. At present, people who are outside the UK can apply for entry clearance in their own right to join a family member in the UK and their application will be considered on whether a refusal would be a breach of Article 8. This system allows some applications to focus attention on the circumstances of the applicant abroad, even though the primary question should be whether refusing entry would disproportionately interfere with the family life of their settled or British citizen family member in the UK.
25. The new requirement for overseas Article 8 applications to be made by the UK-based sponsor will ensure the focus is on the Article 8 rights of the sponsor and how the

decision to refuse entry to their family member will impact them. This would bring the application process into closer alignment with who holds the ECHR rights in such circumstances. This change will allow more effective scrutiny of the relationship between the UK-based sponsor and the individual seeking to enter the UK. It will be beneficial for safeguarding vulnerable sponsors as well as allowing greater scrutiny on applications which involve extended family members.

Policy objective

26. The legislation will require the UK based family member (sponsor) to make the application to bring a family member to the UK, if they wish to rely on Article 8. The UK based family member will need to be a British citizen, settled person in the UK, or a person with protection status in the UK. It will also give the UK based family member the right to appeal a Home Office decision to refuse their family member entry into the UK (rather than the individual overseas seeking to come to the UK being able to appeal). The objective is for the focus of the Home Office decision maker and the courts to be on the Article 8 rights of the sponsor and how the decision to refuse entry to their family member will impact them.

Indicators of success

27. Increased consistency in Article 8 decision-making across caseworkers, tribunals and courts, in line with the Immigration Rules and the direction set by Parliament.
28. Reduced consideration given to matters not within the UK's jurisdiction raised as part of an Article 8 claim in decision making, such as the circumstances and country situation of individuals outside of the UK's territorial jurisdiction.

Measure 10: Article 8 of the European Convention on Human Rights dependency

Background

29. The Immigration Rules provide routes for family members seeking to enter or remain in the UK based on family life. However, there is no definition of "family life" for the purposes of Article 8 ECHR in primary legislation.
30. In the absence of a clear legislative framework, courts have been required to determine the existence and scope of family life on a case-by-case basis, resulting in significant variability in outcomes.

Problem under consideration and rationale for intervention

31. While case law recognises that Article 8 family life may exceptionally extend beyond the immediate family, the absence of a statutory definition has led to inconsistent and expansive interpretations. Claims based on tenuous extended family ties have increasingly succeeded, generating uncertainty for decision-makers and litigation risk for the Home Office.
32. A particular area of concern has been cases arising from conflict or crisis situations overseas, where applicants have succeeded despite there being no established family life prior to the conflict and only limited or indirect ties to the UK-based sponsor.

33. The Court of Appeal in *IA & Ors v Secretary of State for the Home Department*²³ reaffirmed well established principles governing the existence of family life under Article 8. However, without legislative codification, there is a risk that these principles remain unevenly applied.
34. The legislation intends to provide a clear statutory framework that reflects established Strasbourg and domestic case law, constrains overly expansive interpretations, and restores consistency across decision-making.

Policy objective

35. Legislative change is required to establish a statutory definition of family life for the purposes of Article 8 ECHR that:
 - sets a clear definition that family life is normally confined to the core cohabiting family unit (spouses, partners, and parents with minor children);
 - sets out that a person does not normally have family life with a child with whom they do not live unless there is evidence of a genuine and subsisting relationship; and
 - requires extended family members to demonstrate additional elements of dependency beyond normal emotional ties, consistent with Strasbourg jurisprudence, including *Kumari v Netherlands*²⁴ and *Martinez Alvarado v Netherlands*²⁵;
36. Establish a list of factors which do not, in isolation, amount to additional elements of dependency establishing family life:
 - financial dependence on its own;
 - physical or mental illness/infirmity save where the illness is sufficiently serious to incapacitate the individual, and there is no adequate alternative care where they live, such that they have no viable option but to rely on the other;
 - lack of in-country emotional support for the person seeking to rely on the relationship; and
 - where war, conflict or instability in a country cause concern to the UK-based sponsors about the wellbeing of relatives in that country.

Indicators of success

37. Increased consistency in Article 8 decision-making across case-working, tribunals and courts, as to what amounts to family life.
38. Reduced proportion of decisions overturned on appeal on Article 8 grounds, indicating clearer statutory framing for decision makers and the courts.

Measure 11: Public Interest Test

Background

²³ The Court of Appeal in *IA & Ors v Secretary of State for the Home Department* [2025] EWCA Civ 1516: <https://www.judiciary.uk/judgments/ia-and-others-v-secretary-of-state-for-the-home-department/>

²⁴ *Kumari v Netherlands*, No. 44051/20, European Court of Human Rights (2024): <https://hudoc.echr.coe.int/eng#%7B%22itemid%22:%5B%22001-238680%22%5D%7D>

²⁵ *Alvarado v Netherlands*, No. 4470/21, European Court of Human Rights (2024): <https://hudoc.echr.coe.int/eng#%7B%22itemid%22:%5B%22001-238325%22%5D%7D>

39. The government intends to strengthen the public interest test to reset the balance between individual rights and the public interest in managing an effective immigration system and the social and economic well-being of the UK by amending the Nationality, Immigration and Asylum Act 2002²⁶ (NIAA 2002).

Problem under consideration and rationale for intervention

Qualifying children

40. Qualifying children are defined under the NIAA 2002 as a person under the age of 18 who is a British citizen or who has resided in the UK continuously for seven years. Internal Home Office analysis shows that 67 per cent²⁷ of first-time in-country applications to Article 8 routes resulted in grants made to applicants with a qualifying child, indicating that this cohort is a main source of Article 8 grants.
41. The current operation of section 117B(6) of the NIAA 2002 has contributed to high grants of permission to stay in cases involving a qualifying child, regardless of wider public interest factors. In these cases, decision-makers must consider whether it would be 'reasonable' to expect that child to leave the UK. Current guidance sets out that, as a starting point, it would not normally be expected for a qualifying child to leave the UK.
42. The absence of a clear legislative definition of what 'reasonable' means in this context, paired with the fact that it is usually considered in a child's best interest to remain with their parent(s), results in parents being granted leave in the majority of cases without a detailed consideration of the impact on the wider public interest.
43. The focus on whether it is 'reasonable' for a child to leave does not account for outcomes where a child would realistically remain in the UK following parental removal, creating a logical gap identified by the courts and leading to outcomes that are more generous than Article 8 ECHR requires. Without reform, the qualifying child provisions can undermine effective immigration control, distort Article 8 proportionality assessments, and weaken public confidence in the system.

Immigration breaches

44. A representative sample of Home Office decisions made in 2022 shows that 39 per cent of first-time in-country family and private life grants were made to illegal entrants and 38 per cent to overstayers²⁸, indicating that immigration breaches are not being given sufficient weight in the public interest test.
45. There are provisions in the current legislation to allow for less weight to be given to certain types of private and family life developed while an individual has temporary or unlawful status in the UK. These provisions do not apply to all types of family life. Individuals who have exhausted their appeal rights are also able to continue accruing family and private life rights in the UK despite the expectation being that they should leave the UK. This encourages people to delay and evade immigration action from being taken against them, motivating non-compliance and rewarding people for misuse of the system.

²⁶ Nationality, Immigration and Asylum Act 2002: <https://www.legislation.gov.uk/ukpga/2002/41/contents>

²⁷ Annex A3: Cohort analysis of grants made on the basis of Article 8

²⁸ Annex A3: Cohort analysis of grants made on the basis of Article 8

46. Legislative amendments are required to rebalance the public interest to encourage compliance with Immigration Rules and ensure decision makers give proper weight to immigration breaches when assessing Article 8 claims.

Socio-economic

47. Section 117B of the NIAA 2002 provides limited clarity on how wider socio-economic impacts and conduct-related concerns should be weighed, which can lead to disproportionate emphasis on individual circumstances.
48. A significant part of the public interest in Article 8 cases relates to the socio-economic impact of migration, including pressures on housing, public services, welfare systems and wider fiscal resources. These impacts lack a clear and consistent statutory footing, despite being integral to the economic well-being of the UK and the integrity of the immigration system.
49. In addition, there is a gap below the deportation threshold where lower-level criminality, deception, and serious non-compliance may be under-weighted in the Article 8 proportionality balance, despite engaging legitimate aims such as public safety, public confidence, and prevention of disorder or crime.

Foreign national offenders

50. Section 117C of the NIAA 2002 requires the courts to determine, depending on sentence length, whether deportation would be 'unduly harsh' or if 'very compelling circumstances' exist.
51. The current framework can result in different outcomes for cases with similar facts and some decisions do not fully reflect the high threshold Parliament intended. This in turn undermines public confidence. Moreover, the current legislative framework has proved difficult for courts to follow and has generated a substantial amount of case law.
52. Legislation is required to strengthen these tests, to reinforce the weight given to the public interest and provide a clearer framework which supports the consistent application of the high thresholds. The government also wants to address deficiencies in the current system where, for offenders with sentences of less than four years there is no requirement to consider wider public interest factors, and the severity and frequency of the offending are not sufficiently taken into account.

Policy objective

Qualifying children

53. Legislative change is required to reset the balance between individual rights and the public interest by amending section 117B(6) of the NIAA 2002 to set out a non-exhaustive list of factors when it would not be reasonable to expect a child to leave the UK and introduce a new test that allows decision makers to assess whether the consequences of removing a parent would have a disproportionate impact on a child that will remain in the UK. This will enable a clearer approach to Article 8 decisions involving British children by empowering decision makers to properly scrutinise whether a child can be expected to successfully adapt to life abroad, or to consider whether parents can maintain their relationship with a child from outside the UK.

Immigration breaches

54. Legislative change is required to:

- place significantly greater statutory weight on lawful residence and compliance; and
- extend the existing weighting framework so it applies explicitly to family life as well as private life.

Socio-economic

55. Legislative change is required to:

- clarify financial independence as a public interest consideration so that it encompasses wider socio-economic impacts, including reliance on public resources, pressures on housing and public services, and broader fiscal effects, assessed holistically through guidance rather than rigid statutory tests;
- introduce criminality and conduct as a distinct public interest consideration below the deportation threshold, enabling decision-makers and courts to give structured weight to lower-level criminality, deception, serious non-compliance and conduct undermining the integrity of the immigration system;
- reset the public interest test in line with Restoring Order and Control, ensuring assessments remain fair, individualised and ECHR-compliant, while clearly reflecting Parliament's intent on what matters to effective immigration control.

Foreign national offenders

56. Legislative change is required to:

- reset the approach by placing a stronger emphasis on the public interest in deportation;
- require a full proportionality assessment in all cases; and
- raise the threshold at which Article 8 rights are able to outweigh the public interest.

Indicators of success

Qualifying children

57. A reduction in overall in-country Article 8 grants determined by qualifying children, reflecting a reset of the public interest balance.
58. Reduction in the proportion of decisions overturned following appeal, where the only material factor is the presence of a qualifying child.

Immigration breaches

59. Reduced ability for individuals to strengthen Article 8 claims through delay or non-compliance, evidenced by an increase in refusal rates for those with immigration breaches or no permission to stay in the UK.
60. A reduction in successful Article 8 grants to individuals who entered illegally or overstayed, indicating that immigration breaches are carrying materially greater weight in the public interest balance.
61. The strengthened public interest test operates compatibly with Article 8 ECHR while allowing consideration of exceptional circumstances.

Socio-economic

62. Structured consideration of criminality and conduct below the deportation threshold, ensuring such behaviour is no longer under-weighted in the public interest balance.
63. Increased refusals or unsuccessful appeals in cases where applicants impose avoidable burdens on public resources or present conduct-related public interest concerns.

Foreign national offenders

64. A reduction in the proportion of Article 8 decisions overturned following an appeal.
65. A strengthened public interest test that operates compatibly with Article 8 ECHR and which places greater weight on the public interest in deportation.
66. Greater consistency in deportation decision making by the courts.

Pillar 4: Modern Slavery

Measure 13: Modern Slavery identification model

Background

67. This package of measures intends to address system weaknesses by amending NRM identification and decision-making processes. Specifically, it is considered that these measures will address barriers to immigration action, including detention and removal, while making the system more efficient for those within it. These measures are to be accompanied by a series of non-legislative measures to implement a more resilient and improved NRM system. Issues relating to the timing of disclosure, including in the context of late claims, are addressed through the broader late claims framework set out under Appeals reform and are not duplicated here.
68. For context in understanding the following section, following referral into the NRM by a First Responder Organisation, the relevant competent authority will make a Reasonable Grounds (RG) decision on whether someone is a victim of modern slavery. Following a positive RG decision, a potential victim will receive a Recovery Period of at least 30 calendar days. During the recovery period, someone cannot be removed from the UK. The relevant competent authority will make a Conclusive Grounds (CG) decision at least 30 calendar days after the RG decision to determine whether 'on the balance of probabilities' there are sufficient grounds to decide that the individual is a victim of modern slavery.
69. These measures include the following:
 - Credibility and timing of disclosure of modern slavery experiences.
 - Issuing a CG decision before the end of the recovery period.
 - Curtailing the recovery period upon receipt of a negative CG decision when issued within the recovery period.
 - Expanding the Public Order disqualification (POD) and reversing the burden of proof.
 - Expanding the Bad Faith disqualification.

Problem under consideration and rationale for intervention

70. The NRM system plays a vital role in preventing exploitation and protecting vulnerable individuals.²⁹ However, as outlined below, there are weaknesses in the system which have become particularly apparent through operational difficulties and litigation, which continue to shape its parameters in a way that is counterproductive and unpredictable. The following policies intend to overcome specific issues in the current NRM decision-making process:
- a. **Credibility:** Late disclosures of modern slavery experiences, being those raised only after a trigger event (such as Removal Directions being set), rather than at an earlier opportunity, can give rise to significant issues, especially in respect of immigration procedures. When a disclosure prompts an NRM referral shortly before removal action, the subsequent NRM decision-making, and the potential 30-day recovery period, can delay wider operational processes including detention and removal. To discourage late disclosure and promote early identification of victims, the Home Office are seeking to place credibility assessments on a statutory footing to ensure that the timing of late disclosure as well as other related factors, such as inconsistencies or omissions in accounts, are factored into NRM decision-making outcomes, while recognising when there are good reasons when the individual may take longer, including where there is evidence of trauma or Post Traumatic Stress Disorder. This will reduce opportunities for improper use of the system, while also ensuring victims are given appropriate opportunities to share relevant information for an NRM referral.
 - b. **Issuing a CG decision before the end of the recovery period:** The Home Office cannot currently conclude the formal identification process for potential victims of modern slavery until at least 30 days have passed from their Reasonable Grounds (RG) decision (the 'Recovery Period'), as set out currently in statutory guidance. This means that CG decisions (whether positive or negative) cannot be made at the earliest feasible opportunity. Allowing CG decisions to be made within the Recovery Period, when decision-making thresholds are met, will address unnecessary delay between the making and issuing CG decisions and save decision-maker time. The policy would also allow for early confirmation of victim status, which could have a positive impact on the wellbeing of survivors.
 - c. **Negative CG decisions ending the recovery period:** Following changes to statutory guidance allowing CG decisions to be made within the Recovery Period, it is proposed to legislate to remove the current legal requirement that the Recovery Period must last at least 30 days. This would ensure that a negative CG decision made within the Recovery Period ends the recovery period. This would mean that those individuals, whom by virtue of a negative CG would be determinatively considered not to be victims, would no longer be able to access support and be protected from removal. Individuals who receive a positive CG within the Recovery Period would remain in the Recovery Period. This will enable individuals to move through the system more efficiently, potentially reducing detention time and supporting removals for particular cohorts.

²⁹ See here for a description of the current National Referral Mechanism process:
<https://www.gov.uk/government/statistics/modern-slavery-nrm-and-dtn-statistics-january-to-march-2026/modern-slavery-national-referral-mechanism-and-duty-to-notify-statistics-uk-quarter-1-2026-january-to-march>

- d. **Public Order disqualification:** The ability to disqualify individuals from the protections of the NRM on public order grounds, as provided for in existing legislation, is currently constrained by an overly burdensome decision-making and assessment model where the Home Secretary seeks to disqualify the person from NRM protections. In particular, the current framework does not enable the Home Secretary to bring onward decision-making to an end once the public order criteria are met and affords a high degree of discretion, which in practice places substantial demands on decision makers and limits the government's ability to act effectively within its intended powers. The government proposes to strengthen the legislative basis for POD. This will include introducing a provision that POD will apply to FNOs unless there are compelling circumstances, thereby reducing the scope to rebut the presumption in cases where the statutory criteria are met, specifying that a POD ends all future decision-making and Temporary Permission to Stay rights, and updating the list of offences in scope in alignment with section 45 of the Sentencing Act 2026. These changes are intended to provide greater clarity, reduce operational burden, and ensure that individuals deemed a threat to public order are not afforded the benefits of the NRM, including protection from removal for FNOs.
- e. **Bad Faith disqualification:** The current ability to disqualify individuals from the protections of the NRM on the basis of claiming to be a victim in 'bad faith' does not reflect all the scenarios in which the government considers 'bad faith' currently manifests and where the government considers disqualification should occur. The government proposes to define 'bad faith' more clearly, including improper use of the NRM such as duplicate claims.

Policy objective

71. These measures seek to achieve the following objectives:

- Regaining control of the system by reducing opportunities for improper use and unnecessary support:
 - Credibility
 - Disqualifications – Public Order and Bad Faith
- Moving people through the system more efficiently:
 - Enabling CG decisions to take place during the 30-day recovery period
 - Enabling negative CG decisions to curtail the 30-day recovery period

Indicators of success

72. Indicators of success will be: government is able to efficiently make identification decisions through the NRM; the impact of those making late disclosures in the context of disrupted removals will be reduced; the application of disqualification powers exercised for FNOs will operate through a more simplified decision making framework with fewer impediments as is currently, resulting in more simplified disqualification of individuals deemed a threat to public order where the criteria are met, and a deterrence against improper use of the NRM on Bad Faith grounds.

Measure 14: Legal basis for support provided to victims of modern slavery

Background

73. The UK has international obligations under Article 4 of the ECHR and Article 12 of the ECAT 2005, to identify all victims of modern slavery and assist victims in their physical, psychological and social recovery. Section 50A of the Modern Slavery Act 2015³⁰ (MSA 2015) sets out the Home Secretary's duties to secure support for, and assess the needs of, victims of modern slavery and human trafficking to assist in their recovery from their modern slavery experience.
74. For adult victims, the Home Office provides support to meet needs arising from modern slavery through the Modern Slavery Victim Care Contract (MSVCC) and wider state services. The MSVCC is due to be replaced by the Support for Victims of Modern Slavery (SVMS) contract in 2027.
75. For child victims, support to meet needs arising from modern slavery is provided via local authorities, their safeguarding partners and wider state services as part of their duties to support and protect children in need and at risk of significant harm. The Home Office also provides the Independent Child Trafficking Guardians (ICTG) Service to provide independent advocacy and ensure that decision making processes undertaken by public authorities reflect the best interests of the child and their modern slavery experience.
76. The ICTG service currently operates in two thirds of local authorities and is expected to extend to the whole of England and Wales from the summer of 2027. The government intends to update and fully commence section 48 of the MSA 2015³¹, which is the underpinning legislation for ICTGs, as part of this Bill. This is covered fully in Measure 15 of this document.

Problem under consideration and rationale for intervention

77. Section 50A of the MSA 2015 requires the Home Secretary to assess what support is necessary to assist a potential victim of modern slavery in their recovery. Section 50A requires amendment:
 - a. To enable the Home Secretary to delegate responsibility for assessing what support is necessary for adult victims to an organisation contracted by the Home Secretary to provide support; and
 - b. To remove children from the scope of section 50A to remove the duty on the Home Secretary to assess a child potential victim's support needs.
78. Local authorities and their safeguarding partners have statutory duties to safeguard and promote the welfare of children in their area under the Children Act 1989. In fulfilling these obligations, local authorities consider the risks and needs of children, including child victims of modern slavery, exploitation and human trafficking and provide subsequent support as needed, drawing on wider state services as appropriate. This would be an effective and efficient use of resources by reducing the need to make repeat assessments between the Home Secretary and local authorities, including the specialist experience of local authorities and their safeguarding partners to support all children.

³⁰ Section 50A, Modern Slavery Act 2015: <https://www.legislation.gov.uk/ukpga/2015/30/section/50A>

³¹ Section 48, Modern Slavery Act 2015: <https://www.legislation.gov.uk/ukpga/2015/30/section/48>

79. This amendment will ensure that the Home Secretary is not required to duplicate the role of local authorities. Child victims also receive extra, specialised support through the ICTG service, the provision for which is set out in section 48 of the MSA 2015.

Policy objective

80. Amend the MSA 2015 to reflect the current and longstanding, effective support arrangements for adult and child victims of modern slavery, ensuring clarity of roles and responsibilities across government in supporting victims.

Indicators of success

81. Success will be indicated ensuring primary legislation reflects the operational support arrangements for adult and child victims of modern slavery, ensuring clarity of roles and responsibilities across government in supporting victims.

Measure 15: Support (children) Independent Child Trafficking Guardians

Background

82. The UK has international obligations under Article 4 of the ECHR and Article 12 of the ECAT 2005, to identify all victims of modern slavery and assist victims in their physical, psychological and social recovery.
83. The UK government is also subject to the Public Sector Quality Duty under section 149 of the Equality Act 2010, which requires public authorities to hold due regard to certain equality considerations. Child victims cannot access support through the government funded MSVCC, which is designed for adult potential and confirmed victims of modern slavery, and similar provision is required to ensure children also have access to support that meets their needs arising from modern slavery.
84. Whilst local authorities are responsible for the safeguarding and promoting the welfare of children, including child victims of modern slavery, section 48, MSA 2015, introduced ICTGs to supplement local authority support and to collectively equate to the support provided through the MSVCC for adult victims. The ICTG service seeks to further support child victims by providing independent support and advocacy to children directly or specialist expertise to support safeguarding professionals already working with the child to help ensure the child's needs are met.

Problem under consideration and rationale for intervention

85. Parliament only partially commenced section 48, MSA 2015 to allow an effective model of the service to be tested. Since 2017, when the ICTG pilot was first introduced, the Home Office has continued to iterate and make improvements to the service based on the findings and recommendations of ³², ³³, ³⁴. These reviews and recommendations have informed the service

³² 2019 Evaluation: An evaluation of Independent Child Trafficking Guardians - early adopter sites: Final report: <https://assets.publishing.service.gov.uk/media/5d35cd14ed915d0d0e7a8294/evaluation-independent-child-trafficking-guardians-final-horr111.pdf>

³³ 2022 Evaluation: An assessment of Independent Child Trafficking Guardians (accessible version) - GOV.UK: <https://www.gov.uk/government/publications/an-analysis-of-independent-child-trafficking-guardians/an-assessment-of-independent-child-trafficking-guardians-accessible-version>

³⁴ 2024 Evaluation: Independent Child Trafficking Guardian (ICTG) MSA evaluation - GOV.UK: <https://www.gov.uk/government/publications/independent-child-trafficking-guardian-ictg-msa-evaluation/independent-child-trafficking-guardian-ictg-msa-evaluation>

86. Section 48, MSA 2015 in its current form, is outdated and mirrors the original service model for Independent Child Trafficking Advocates, which has since changed. If section 48, MSA 2015 was fully commenced as currently written, it would require the Home Secretary to provide support that is not consistent with the tested, effective national ICTG model.

Policy objective

87. The objective is to amend section 48, MSA 2015 to align legislation with the established and future service model of the ICTG service to ensure the legislation accurately reflects current practice and terminology, provides clarity on eligibility and functions, and places the ICTGs on a clear statutory footing consistent with Parliamentary intent. The amendment will secure a strong legal basis for national specialist provision for children, which will be provided through the national ICTG service across England and Wales, reduce the risk of inconsistent or inequitable provision, and ensure that child victims of modern slavery, trafficking and exploitation receive timely, needs based, independent support that complements existing safeguarding responsibilities.
88. Amending section 48 of the MSA 2015 would also support Ministerial commitment set out in the Action Plan of the point Violence and Abuse Action Strategy and reflect stakeholder expectations for full rollout across England and Wales of the current service model.

Indicators of success

89. Success will be evidenced by securing a statutory basis for ICTGs, which will ensure the national availability of ICTGs to all eligible potential and confirmed child victims of modern slavery, exploitation and trafficking across the entirety of England and Wales.
90. The measure will also improve co-operation and joint working between statutory safeguarding partners and ICTGs, as clearer statutory expectations on 'paying due regard to ICTGs' should lead to more consistent engagement, information sharing, and involvement of ICTGs in discussions relating to decisions impacting the child.
91. The national rollout model will be aligned with the support provision stipulated in legislation, through this legislative change, and the model that has been determined to be the most effective model of support from the testing of the pilot since 2017. This model also allows some flexibility to change what support looks like in future policy development and stipulate this in statutory ICTG guidance. In addition, to support assurance, accountability and future policy development, the national rollout of the ICTG service will be independently evaluated. The evaluation will assess the outcomes and impact of the ICTG service for child victims of trafficking and exploitation, as well as lessons to inform delivery, commissioning and future legislative implementation.

Measure 16: Prevention of Modern Slavery (transparency in supply chains)

Background

92. Section 54 of the MSA 2015³⁵ requires commercial organisations with a turnover of more than £36 million that provide goods and/or services in the UK to publish an annual modern slavery statement. The provision sought to create a race to the top by requiring businesses to be transparent about what they are doing to deal with modern slavery in

³⁵ Section 54, Modern Slavery Act 2015: <https://www.legislation.gov.uk/ukpga/2015/30/section/54>

their supply chains allowing consumers, investors, campaigners and others to hold them to account and call for them to do more. This requirement currently applies to around 22,000 commercial organisations in the UK.

Problem under consideration and rationale for intervention

93. Section 54 of the MSA 2015 was the first of its kind globally when it was introduced however feedback from Civil Society and business is that Section 54 of the MSA 2015 currently does not go far enough to encourage businesses to act and have called for the Home Office to strengthen the Transparency in Supply Chains legislation.
94. Additionally, now that other countries have brought in measures around Mandatory Human Rights and Environmental Due Diligence and import bans, business is calling for the UK to introduce a stronger regime to enable a more level playing field so that those that do spend resource to act are not disadvantaged.

Policy objective

95. The proposed measures, which will apply UK-wide, will strengthen Section 54, MSA 2015 to improve the quality of statements and increase compliance.
96. The measures will:
- bring public bodies with a budget of £36 million and over in scope – to bring parity with the private sector and level the playing field
 - mandate reporting on certain topics³⁶ to include steps taken to address modern slavery in supply chains or, if no steps taken, provide a reason why no steps were taken – to encourage standardised and improved quality of reporting in line with best practice
 - mandate publication of statements to a central online repository, currently the Modern Slavery Statement Registry – for greater transparency and monitoring
 - bring greater clarity on approval for statements – for strengthened accountability
 - make express provision for group statements – to bring legislation in line with current practice
 - introduce a reporting deadline – to clarify expectations on when a statement must be published to support compliance
 - introduce civil penalties for non-compliance – to encourage organisations to meet the requirements

Indicators of success

97. Indicators of success will be an increased number of modern slavery statements being uploaded to the Modern Slavery Statement Registry, the imposition of penalties on non-compliant businesses leading to statements published by those businesses, improved quality of reporting that covers all six mandated areas and the beginning of public sector reporting.

³⁶ Topics are: 1. Organisation structure, operations and supply chains; 2. Policies in relation to slavery and trafficking; 3. Assessing and mitigating risks; 4. Due diligence; 5. Training; and 6. Monitoring effectiveness.

Measure 17: Enforcement (slavery and trafficking risk orders and slavery and trafficking prevention orders)

Background

98. Slavery and Trafficking Prevention Orders (STPO) and Slavery and Trafficking Risk Orders (STRO) are civil orders introduced by the MSA 2015 (under Part 2, Prevention Orders sections 14 to 30) to enable prohibitions to be imposed by the courts on individuals convicted of a slavery or trafficking offence, or those involved in slavery or trafficking but who have not been convicted of a slavery or trafficking offence.
99. The creation of these orders enables law enforcement (the police, the National Crime Agency, Immigration Officers and the Fair Work Agency and the courts) to take tougher action against those involved in slavery or trafficking, and to protect individuals from the harm by preventing future offending.
100. In July 2018, the Home Office commissioned an Independent Review of the MSA 2015 to consider the effectiveness of the Act and identify improvements. The Review reported in 2019³⁷ and recommended a proposal to amend the STRO provisions under Section 23 of the MSA 2015. The Home Office conducted a targeted stakeholder engagement exercise in March 2022, with main stakeholders across the criminal justice system, to consider whether any operational gaps existed and identified a number of proposed amendments to the MSA 2015.

Problem under consideration and rationale for intervention

101. There are several limitations of the current STPO and STRO provisions, which the proposed measures aim to resolve:
 - Close an operational gap in the current process, to allow the Judge in a Crown Court to grant an STRO when a person is acquitted of a modern slavery offence. Currently STROs are only available on application to a Magistrates Court meaning cases from the Crown Court currently need to be remitted to the Magistrates Court for an STRO to be considered. This measure would improve efficiency and effectiveness by dealing with an individual immediately following the trial in a Crown Court and would not require the same evidence to be repeated before a Magistrates Court. This would also reduce the risk of offending as the STRO would be in place following acquittal. This measure aligns the STROs to Serious Crime Prevention Orders (SCPO) and Domestic Abuse Protection Orders (DAPO).
 - Extend the list of bodies to allow the chief constable of the British Transport Police (BTP) to apply to a Magistrates Court to make, vary, discharge and renew STPOs and STROs. This measure would also improve efficiency, as the current process means that BTP have to rely on a local force to make an application for an STPO or STRO on their behalf, and to vary, discharge and renew it. This puts additional pressure on the local force and can result in delays with seeking an order, impacting on the ability to reduce the risk of offending. Removing this barrier would encourage BTP to apply for further orders and the process would be more efficient. This measure aligns STPOs and STROs to SCPOs, DAPOs and

³⁷ Independent Review of the Modern Slavery Act 2015:
https://assets.publishing.service.gov.uk/media/5ce5116e40f0b627de48663d/Independent_review_of_the_Modern_Slavery_Act_-_final_report.pdf

Knife Crime Prevention Orders (KCPO). Extending the list of bodies to allow the chief constable of the BTP to apply to a Magistrates Court to make, vary, discharge and renew STPOs and STROs.

- Remove the restriction on chief officers of police only making applications for STPOs and STROs in relation to a person who lives in their police force area. Law enforcement partners have advised that the legislation currently presents an operational obstacle and limits the effectiveness of these orders, as it does not account for instances where an offender may reside in one area, but may not visit or intend to go to the location where the offending takes place. This measure will enable the police to better target and disrupt criminal exploitation, sexual exploitation and county lines offending, as these types of offending often crosses force areas.
- Make existing notification requirements mandatory and provide courts with a discretionary power to require notification of additional information. Law enforcement partners have advised that the monitoring, enforcement and recording of notification requirements is inconsistent across police forces in England and Wales, reducing their ability to proactively manage individuals. This proposal will broaden and strengthen the notification requirements imposed by the orders, enabling greater consistency in the way individuals are managed and improve monitoring of the orders.
- Make it explicit that a court can adjourn after sentencing before making a STPO, and a STRO on acquittal. This measure enables courts to more effectively address offending whilst the defendant is still under their power and intends to remove any current or future doubt that the court can adjourn proceedings to make a STRO or STPO. This measure will align the process with other orders, such as DAPOs, KCPOs and Serious Violence Prevention Orders.
- Make an explicit provision for electronic monitoring to be included on STPOs, STROs or interim orders. Whilst it is arguable based on case law that an electronic monitoring condition can be placed on orders currently, they rarely are. Providing explicit provision for this will encourage greater use of electronic monitoring, which is an efficient and effective way to monitor an offender's compliance with the order. To note, this provision would not be automatic and would only be considered where the resources for electronic monitoring in the force already exist.

Policy objective

102. This proposal is to strengthen the existing legislation which underpins the STPOs and STROs, under the MSA 2015. The proposed amendments will remove the limitations raised by law enforcement partners and make access to the orders more flexible to support law enforcement's ability to better manage offenders as modern slavery offending evolves. This aligns with the Home Office's work to support law enforcement to improve their response to modern slavery; by ensuring they have effective tools to go after perpetrators and safeguard victims.

Indicators of success

103. Indicators of success will be the improvement of the monitoring and enforcement of STPOs and STROs, leading to a reduction in modern slavery and human trafficking

offending, an increased detection of breaches and prosecutions for breach. Also, law enforcement partners who monitor and enforce the orders will all record the same information in relation to the subject of an STPO or STRO.

104. Following the implementation of these legislative measures, the Home Office will continue to work closely with relevant law enforcement partners to ensure the effectiveness of STPOs and STROs.

Measure 18: Temporary Permission to Stay

Background

105. The UK has international obligations under Article 14, ECAT 2005 to provide renewable residence permits to victims of modern slavery in “one or other of the two following situations or both”: (a) the competent authority considers that their stay is necessary owing to their personal situation; (b) the competent authority considers that their stay is necessary for the purpose of their cooperation with the competent authorities in investigation or criminal proceedings. To date, the government has been of the view Article 14 provides two options, and meeting the obligation under (b) in domestic legislation is sufficient. The UK fulfils this requirement through granting leave, as outlined in section 65 (2) (c) of the Nationality and Borders Act 2022³⁸ (NABA 2022), to individuals who have received a positive CG decision if it is considered necessary for the purpose of enabling the person to co-operate with a public authority in connection with an investigation or criminal proceedings in respect of the relevant exploitation. The UK also grants leave for the purposes of assisting the person in their recovery from any physical or psychological harm arising from the relevant exploitation or enabling the person to seek compensation in respect of the relevant exploitation as outlined in sections 65 (2) (a) and (b) respectively.
106. The relevant Immigration Rules Appendix establishes that leave granted in line with section 65 is TPS. Individuals who have a positive CG decision and are neither a British citizen nor have leave to remain in the UK will be considered for TPS. Noting that there are exceptions to this for individuals who are a threat to public order or have claimed to be a victim of slavery or human trafficking in bad faith.

Problem under consideration and rationale for intervention

107. The current legislative framework, section 65 (2) (a) NABA 2022, requires the Home Secretary to grant leave to victims of modern slavery where stay is considered necessary to assist the person in their recovery. The government does not wish to be obligated to grant leave for the purpose of supporting individuals in their recovery.
108. Removing the recovery ground from TPS consideration is intended to result in significantly less litigation in this area. Since TPS was introduced in 2023, the recovery ground of policy and decision-making have been subject to significant legal action, which has required guidance clarification and expansion of the policy, which has gone beyond the original policy intention.
109. Leave granted under section 65 at NABA 2022 arguably goes beyond the requirements established by Article 14, ECAT 2005 and it is considered that the requirement to grant leave for the purposes of recovery should be altered, to remove an unnecessary

³⁸ Section 65, Nationality and Borders Act 2022: <https://www.legislation.gov.uk/ukpga/2022/36/section/65>

support requirement. It is the government's view that the proposed change would maintain ECAT 2005 compliant.

110. Irrespective of leave granted under section 65 (2) (a), individuals are still able to access and receive support (in line with wider NRM processes). Adult victims in modern slavery contracted support who receive a positive CG decision will generally receive a minimum 45 days of move on support, noting that being in this move-on support period is not a barrier to removal from the UK. We consider that victims are well-supported through this route. Removing the requirement to grant leave on the basis of recovery does not prevent victims from accessing support to assist their recovery.

Policy objective

111. The proposed TPS measure seeks to remove the statutory requirement on the Home Secretary to grant leave to victims of modern slavery if stay is considered necessary for the purpose of assisting the person in their recovery from physical or psychological harm arising from the relevant exploitation.

Indicators of success

112. Indicators of success will be that there are no TPS grants made for recovery purposes.
113. Removing the recovery ground may encourage an increased percentage of individuals to seek to be granted TPS leave on alternative grounds, including the cooperation ground. This may result in increased cooperation with police on modern slavery crimes, which could result in more successful prosecutions.

Measure 19: National rollout of devolved decision making for children

Background

114. The UK has international obligations under Article 4 of the ECHR and Article 12, ECAT 2005, to identify all victims of modern slavery and assist victims in their physical, psychological and social recovery. The NRM is the UK's framework for identifying potential victims of modern slavery and connecting them with appropriate support.
115. Under the current system, potential victims are identified by first responders, for example police officers, firefighters, emergency medical technicians, and paramedics and referred to the Home Office for a decision to be made on whether they should be recognised as a victim of modern slavery. This is the same for both adults and children, though adults must consent to being referred into the NRM.
116. Guidance for NRM decision-making states decisions may be influenced by 'the views of experts' including qualified medical experts, Independent Child Trafficking Guardians (who provided specific modern-slavery support to children), the police, social workers and local authority experts, and support providers.

Problem under consideration and rationale for intervention

117. Feedback from local authorities and other stakeholders is that they perceive there is a disconnect between the NRM and local safeguarding and support structures for child victims, with the NRM 'process' itself not helping safeguarding professionals to manage risk or protect children. In addition, there is inconsistent understanding of both modern slavery and the NRM across local safeguarding partners (police, health and local authorities). The current centralised approach to decision-making requires significant

input from these local partners for accurate, timely decisions to be made. This local disconnect and lack of knowledge and understanding often leads to delays in relevant information being provided to Home Office decision-makers. This in turn, impacts significantly on the Home Office's ability to make accurate, timely decisions.

118. Over the past 10 years, the UK has seen a year-on-year increase in NRM referrals for children – rising from 1,103 referrals for individuals aged 17 or under at time of referral in 2016 to 7,028 in 2025, representing a 537 per cent increase over the 10-year period. In 2025, 7,028 potential child victims of modern slavery were referred to the Home Office, representing a 17 per cent increase compared to the preceding year (5,999).
119. This increase in referrals puts pressures on Home Office systems and processes. As such new models have been piloted through devolved decision making to, ensure that potential victims receive timely, accurate decisions that make best use of knowledge and resources, and is sustainable in the long-term.

Policy objective

120. In 2021, the Home Office launched a pilot to test an alternative approach to NRM decision-making for children. The pilot is aligned to a wider programme of reform for the NRM to improve the sustainability and efficiency and provide improved outcomes for child victims of exploitation and trafficking.
121. Building on the duty that already sits with local safeguarding partners that was established by the Children and Social Work Act 2017, the devolved decision-making pilot tests whether determining if a child is a victim of modern slavery within existing safeguarding structures is a more appropriate model for making modern slavery decisions for children. This approach enables decisions about whether a child is a victim of modern slavery to be made by those involved in their care and ensure the decisions made are closely aligned with the provision of local, needs-based support and any law enforcement response. Involving professionals who know the child and their family/carers more closely in the NRM decision-making process, will ensure decision-makers have access to the latest information and are already involved in the local safeguarding response leading to better quality and more timely decisions.
122. This measure seeks to provide the legislative basis to implement an alternative model of NRM decision-making for children where responsibility for making decisions is transferred to local safeguarding partners from the Home Office. The Home Office would remain responsible for the overarching policy and relevant guidance.

Indicators of success

123. Indicators of success will be that local authorities will be able to take on responsibility for NRM decision-making for children within their area. This will help improve the safeguarding structures within their local area – improving understanding and awareness of exploitation, encouraging local partnership working, and ensuring that any support and enforcement implications of NRM decisions can be fully considered and understood by local safeguarding partners at the time the decision is taken.

Measure 20: NRM reform to withhold modern slavery support from victims sanctioned by asylum support or other state services

Background

124. The UK has legal obligations under ECAT 2005, Article 4 of the ECHR, and the MSA 2015 to ensure necessary assistance is available to victims of modern slavery. Potential and confirmed adult victims of modern slavery can access support from the government to assist in their recovery from their modern slavery experience. This includes wider state support services such as the NHS, welfare benefits, and asylum support, and where required, specific Home Office support designed to meet needs arising from their modern slavery experience. Contracted modern slavery specific support is usually provided where a victim is not accessing a wider state service that meets their support needs, to prevent duplication of support. This measure is specifically related to adult victims, and child victims are out of scope.

Problem under consideration and rationale for intervention

125. The Home Secretary is required to secure that any necessary assistance and support is available for victims of modern slavery under Section 50A of the MSA 2015. The Home Secretary achieves this through various state services, including asylum support, the benefits system and local authorities, and specialist modern slavery support for adults in the community provided via the MSVCC.

126. Many modern slavery victims have their living needs met by asylum support through provision of accommodation and/or financial support. The Restoring Order and Control (ROC) programme includes measures to remove asylum support for non-compliance. Currently, if an adult asylum seeker who is in the NRM has their asylum support withdrawn under these ROC measures, the Home Secretary must provide the same support instead via the modern slavery support system (delivered via the MSVCC). The same issue also arises if a victim has benefits sanctioned or local authority housing removed due to non-compliance with an occupancy agreement.

127. This is a loophole in the MSA 2015 which, without amendment, undermines the ROC policy intent, may cause displacement from asylum support into modern slavery support, risks incentivising asylum seekers to establish themselves inappropriately as victims of modern slavery to circumvent the withdrawal of asylum support, and undermines compliance measures of wider state services.

Policy objective

128. To prevent the modern slavery support system and the MSA 2015 being used to undermine the objectives of the ROC programme and non-compliance measures of wider state services and to prevent displacement into the NRM and modern slavery support and reduce the burden on the taxpayer.

Indicators of success

129. Success will be indicated by a coherent approach across government to supporting victims, including a reduction in the provision of modern slavery specific support to meet a need that arises solely from equivalent wider state support being sanctioned or withdrawn due to the victim's behaviour.

Pillar 5: Measures to strengthen the UK's Asylum and Immigration System

Measure 21: Core Protection: Single Concept of Protection

Background

130. The UK is proposing to grant those who are at risk on return to their home country a single concept of protection known as core protection. This would replace the need to separately consider refugee status and humanitarian protection status.
131. Humanitarian protection derives from EU legislation, specifically the concept of “subsidiary protection” in the Qualification Directive. It provides for protection to be granted to a person who is not a refugee, but who is at real risk of serious harm if removed. Serious harm equates to a breach of Articles 2 or 3 of the ECHR, or a serious and individual threat to life or person arising from conflict. Any person who qualifies as a refugee would also meet the criteria for humanitarian protection. People who are not refugees can still qualify for humanitarian protection where they face a real risk of serious harm, but not due to an ECHR reason (that is, race, religion, nationality, political opinion or membership of a particular social group).
132. Currently the asylum decision-making process requires a decision-maker to consider someone’s eligibility for refugee status before going on to consider whether they qualify for other forms of leave (‘decision cascade’). If they are not at risk of persecution or serious harm for a specific ECHR reason, then the decision-maker must go on to consider whether they qualify for humanitarian protection.
133. Most of the protection grants in Year Ending December 2025, are grants of refugee status (48,408), compared to humanitarian protection (4,787).

Problem under consideration and rationale for intervention

134. The rationale for change is that the UK generally affords recipients of humanitarian protection the same rights and entitlements as refugees barring travel documentation.³⁹ Whereas refugees are eligible to apply for an ECHR Home Office travel document, those with humanitarian protection must apply for a ‘Certificate of Travel’. The rationale being that non-refugees are expected to use and renew their own national passport. As such, there is little material difference to distinguish between those who are at risk for an ECHR reason, and those who are not. This approach would mean that anyone who is at risk on return would receive the same form of status ‘Core Protection’ and the same entitlements.
135. Those who are refused refugee status, but granted humanitarian protection are eligible to appeal their refusal of refugee status. This is despite the fact they are granted similar entitlements as those with refugee status and are not being removed from the UK. This measure prevents the necessity of these appeals, so that resources can be better used for those who are refused protection outright.

Policy objective

136. The policy objective is to simplify the asylum decision-making process and to remove unnecessary upgrade appeals.

Indicators of success

137. Success of this measure includes more efficient and simplified asylum decision-making, as the time it takes to grant or refuse protection is reduced.

³⁹ Refugees and those with humanitarian protection receive the same length of leave to remain, route to settlement, family reunion, right to work, access to public funds.

138. Success of this measure includes the removal of upgrade appeals and so this should be reduced to zero. Only those who are refused protection outright, or have their protection revoked, would be eligible to appeal.

Measure 22: Core Protection: Refugee Convention Interpretation Clause - of ‘Lawfully Staying’

Background

139. Article 33(2) of the Refugee Convention⁴⁰ allows for refugees to be excluded from the protection against refoulement (the forcible return of refugees and asylum seekers to a country where they are liable to be subjected to persecution) where they are convicted by final judgment of a ‘particularly serious crime’ and constitute a danger to the community of the UK.
140. Domestic legislation (section 72 of the NIAA 2002, as amended by the Nationality and Borders Act 2022 and the Border Security, Asylum and Immigration Act 2025) defines a ‘particularly serious crime’ as: any conviction by final judgment of a custodial sentence of at least 12 months; or any conviction for a Schedule 3 of the Sexual Offences Act 2003 (sexual offences which trigger the notification requirement).
141. Where an individual is excluded from the Refugee Convention, they are removed from the UK as quickly as possible. Those refused protection status who cannot be removed because doing so would breach our obligations under the ECHR are granted shorter more restrictive leave and are subject to regular review until they can be removed at the earliest opportunity.

Problem under consideration and rationale for intervention

142. Generally, the Home Secretary would wish to remove such individuals from the UK. However, whilst the Refugee Convention has specific mechanisms which permit a State to disapply certain protections to an individual, the ECHR has no such provision. Articles 2, 3 and 4 of the ECHR are absolute rights. This means that where there is a real risk of a breach of one or more of these Articles, a person cannot be removed to their country of origin, regardless of the seriousness of any criminality or the threat that they pose to the UK.
143. The Refugee Convention provides for different entitlements for different categories of refugees. Some apply based on presence only (such as the prohibition on refoulement in Article 33(1)), whilst others require the refugee to have some form of status in the host State.
144. There are a number of Articles which provide for entitlements that apply specifically to refugees who are “lawfully staying” in the host State. These are: Article 17 (wage-earning employment), Article 19 (liberal professions), Article 21 (housing), Article 23 (public relief), Article 24 (labour legislation and social security), and Article 26 (freedom of movement).

Policy objective

⁴⁰ The 1951 Refugee Convention and 1967 Protocol relating to the Status of Refugees:
<https://www.unhcr.org/media/1951-refugee-convention-and-1967-protocol-relating-status-refugees>

145. By defining those who have been excluded but cannot be removed as not “*lawfully staying*” in primary legislation, the Home Office would be able to exercise more flexibility in relation to the entitlements given to these individuals.
146. Clarifying this in primary legislation would allow the Home Office to, for example, curtail their right to work and access to public funds in certain circumstances.

Indicators of success

147. Indicators of success would be a higher degree of flexibility in relation to the entitlements given to those who have been excluded who cannot be removed. This would be decided on a case-by-case basis dependant on the individual’s circumstances and the nature of their offending.

Groups affected

148. The Bill will impact a variety of groups, including:

Individuals

- Migrants already living in the UK
- Family members of migrants living outside the UK
- Potential victims of modern slavery

Businesses

- Law firms that provide services in relation to Article 8.
- Businesses impacted by the new reporting requirements related to modern slavery.

Public Sector

- Home Office
 - Immigration Enforcement
- Ministry of Justice (MoJ)
 - HM Courts & Tribunals Service.
- Department for Health and Social Care.
- Ministry of Housing, Communities and Local Government.
- Local Authorities.
- Devolved governments.
- HM Revenue & Customs.
- Foreign Commonwealth and Development Office.
- Department for Work and Pensions.
- Legal Aid Agency.

Consultation

Pillar 4: Modern Slavery

149. **STROs:** Completed a targeted engagement process with law enforcement stakeholders in 2022, following the recommendations from the independent Modern Slavery Act Review in 2018.
150. **Transparency in the Supply Chains:** The government consulted on transparency in the supply chains in 2019 and published their response in 2020⁴¹.
151. **Call for evidence:** The government launched a 12-week call for evidence in July to October 2025 seeking views on how the government can improve the process of identifying victims of modern slavery, human trafficking and exploitation. As part of this, in March 2026, the government held six workshops with Lived Experience Advisory Panels across the Modern Slavery sector.

B. Description of options considered

152. The government has two options:

- **Option 0: ‘Do nothing’:** Do not implement the proposals outlined in the Bill. In the ‘do-nothing’ option the Bill is not implemented and the existing Home Office plans to manage illegal migration will be continued. There would be no additional costs for either setting up or running the proposed Bill processes.
- **Option 1:** Full implementation of the Bill in which all measures outlined in this impact assessment are introduced. **This is the government’s preferred option.**

Preferred option and implementation date

153. The government’s preferred option is Option 1: full implementation of the Bill, as appraised in this impact assessment. The NPSV Section sets out the approach to appraisal. This appraisal considers the impact of the Bill measures within the existing operating system.
154. Subject to Parliamentary approval, the measures contained within the Bill will be implemented following Royal Assent expected in 2027.

C. NPSV: monetised and non-monetised costs and benefits of each shortlist option (including administrative burden)

Costs

155. Many of the measures incur costs that have not been monetised due to uncertainty and an absence of data on the quantifiable impact of the policies. Where it has been possible to monetise these costs, a description is outlined below.

Set-Up Costs

Table 1: Outline of the set-up costs (£ millions, 2027/28 prices)

	Low	Central	High
Pillar 1 Total	-	-	-
Appeals Reform	-	-	-
Pillar 2 Total	-	-	-

⁴¹ Government response to transparency in supply chains consultation 21/09/2020: https://assets.publishing.service.gov.uk/media/5f69c90ed3bf7f723e21c152/Government_response_to_transparency_in_supply_chains_consultation_21_09_20.pdf

Recovering Asylum Support Costs	-	-	-
Pillar 3 Total	-	-	-
How and when to make an Article 8 claim	-	-	-
Article 8 dependency	-	-	-
Public interest test	-	-	-
Pillar 4 Total	2.2	2.8	4.2
Modern slavery identification model	-	-	-
Legal basis for support provided to victims of MS	-	-	-
Support (children) ICTGs	-	-	-
Prevention of Modern Slavery (transparency in supply chains)	0.1	0.3	1.2
Enforcement (slavery and trafficking risk orders and slavery and trafficking provision orders)	2.1	2.5	3.0
Temporary Permission to Stay	-	-	-
National rollout of devolved decision making for children	-	-	-
NRM reform to withhold modern slavery support from victims sanctioned by asylum support or other state services	-	-	-
Pillar 5 Total	0.1	0.1	0.1
Core Protection: Single Concept of Protection	0.1	0.1	0.1
Core Protection: Refugee Convention Interpretation Clause - of 'Lawfully Staying'	-	-	-
Total	2.3	2.9	4.3

Source: Home Office Internal Calculations

156. The total monetised set up costs for the entire Bill is £2.9 million in the central scenario. This cost will cover the measures set out below.

Pillar 4: Modern Slavery

Measure 16: Prevention of Modern Slavery (transparency in supply chains)

Impacts are split by sub-measure

Bring public bodies with a budget of £36 million and over in scope

Familiarisation costs

157. An estimated 380 newly in scope group public bodies will incur familiarisation costs in year one to understand and adapt to the new measures. The midpoint estimate is less than £0.01 million.

Mandate reporting on certain topics to include steps taken to address modern slavery in supply chains

Familiarisation costs

158. Costs are incurred by businesses from reading updated guidance and revising their modern slavery statement structures where necessary. The midpoint estimate is £0.12 million, incurred in year one only.

Measure 17: Enforcement (slavery and trafficking risk orders and slavery and trafficking provision orders)

Familiarisation costs

159. Individuals within the courts, police forces and BTP will need to familiarise themselves with the new powers and associated processes required for each component. This will incur a time cost to courts and police services. The estimated cost is expected to range from £1,200 in the low scenario to £15,200 in the high scenario, with a central estimate of £4,300.

Breach costs

160. The increase in expected breaches resulting from the increase in STRO/STPOs being handed out will incur costs. The initial set-up costs are those to HM Prison and Probation Service (HMPPS) of more prison places being required where the sentence is custody. This will only occur across the first two years of the measure after which existing cells will need to be maintained, but no more additional cells will be required. The estimated number of cells required is (low) three to four (high). The estimated two-year PV cost is expected to range from £2.1 million in the low scenario, to £3.0 million in the high scenario, with a central estimate of £2.5 million (2027/8 prices).

Pillar 5: Measures to strengthen the UK's Asylum and Immigration System

Measure 21: Core Protection: Single Concept of Protection

161. There will be public sector familiarisation costs associated with caseworkers becoming acquainted with the new single definition of protection process. These costs expected to arise from formal training provided ahead of implementation to all caseworkers in the Home Office.

Table 2: Total Familiarisation Costs (£ millions, 2027/28 prices)

	Private Sector	Public Sector	Total Cost
Low	-	0.07	0.07
Central	-	0.10	0.10
High	-	0.13	0.13

Source: Home Office Internal Calculations

162. Total familiarisation costs are estimated to be between £0.07 million in the low scenario and £0.13 million in the high scenario, with a central estimate of £0.10 million (2027/28 prices, PV).

Ongoing Costs

Table 3: Outline of the ongoing costs over the 10-year appraisal period (£ millions, 2027/28 prices)

	Low	Central	High
Pillar 1 Total	-	-	-
Appeals Reform	-	-	-

Pillar 2 Total	-	-	-
Recovering Asylum Support Costs	-	-	-
Pillar 3 Total	1,795.6	1,982.2	2,168.8
How and when to make an Article 8 claim	-	-	-
Article 8 dependency	-	-	-
Public Interest Test	1,795.6	1,982.2	2,168.8
Pillar 4 Total	16.9	21.7	27.6
Modern slavery identification model	-	-	-
Legal basis for support provided to victims of MS	-	-	-
Support (children) ICTGs	-	-	-
Prevention of Modern Slavery (transparency in supply chains)	1.8	3.6	5.9
Enforcement (slavery and trafficking risk orders and slavery and trafficking provision orders)	1.9	3.3	5.1
Temporary Permission to Stay	12.4	13.8	15.2
National rollout of devolved decision making for children	-	-	-
NRM reform to withhold modern slavery support from victims sanctioned by asylum support or other state services	-	-	-
Pillar 5 Total	-	-	-
Core Protection: Single Concept of Protection	-	-	-
Core Protection: Refugee Convention Interpretation Clause - of 'Lawfully Staying'	-	-	-
Total	1,812.5	2,003.9	2,196.4

Source: Home Office Internal Calculations

163. The monetised total ongoing cost resulting from the legislation is £2,003.9 million in the central scenario. This cost derives from the measures described below.

Pillar 3: Article 8 of the European Convention on Human Rights reform

164. The economic analysis for Article 8 measures has combined the impacts from the public interest test measures into one estimate, where evidence exists. Estimates primarily cover the strengthened public interest test conditions.

- Article 8 reform is expected to lead to an increase in the number of Article 8 applications refused, due to tighter public interest test conditions. The number of additional refusals has been quantified by using characteristics from an Article 8 caseworker sample of applications⁴². This is then scaled up and applied to the total number of initial Article 8 grants in 2025, details of volumes affected are included in Annex A.1.

⁴² Annex A3: Cohort analysis of grants made on the basis of Article 8

- A larger number of Article 8 permission to enter or stay applications refused is assumed to result in a larger number of cases going to appeal, along with their associated costs.
- A higher number of applications with a final refusal outcome is likely to result in a greater number of removals (both voluntary and involuntary).
- For migrants that are refused an Article 8 claim and leave the UK, this will result in lower fiscal pressures, such as on healthcare and welfare costs. But there will also be a loss in revenue from visa fees and IHS payments, and loss in tax revenue from those in employment.

165. The overall impact is very uncertain, and will depend on the characteristic of those affected, and any wider behavioural impact.

Table 4: Ongoing costs for Article 8 public interest test over the 10-year appraisal period (£ millions, 2027/28 prices).

Cost	Low	Central	High
Appeal costs	101.0	80.8	60.6
Removal and Asylum costs	340.5	272.4	204.3
Tax revenue lost	824.6	1,099.5	1374.4
Fee Income ⁴³	529.4	529.4	529.4
Total ongoing costs	1,795.6	1,982.2	2,168.8

Source: Home Office Internal Calculations

Appeal costs

166. A larger number of refused Article 8 claimants are expected, so a larger number of applicants are expected to appeal their decision. The total cost of appeal costs is estimated to be between £60.6 million and £101.0 million, with a central scenario of £80.8 million (2027/28 prices, PV). This increase in costs is likely to be mitigated through a reduced success rate for individuals who appeal Home Office decisions due to clearer rules, however the impact on how the appeal success rate will change due to the policy is unknown and unquantified.

Removal and Asylum costs

167. An increase in refused Article 8 ECHR claims is likely to lead to an increase in the number of migrants that require Immigration Enforcement involvement to exit the UK, with includes both voluntary and enforced removals. The capacity for enforced removals is fixed, so it is difficult to say whether there will be an overall increase in enforced removals. However, in 2022, only five per cent of Family and Private life refusals that had Immigration Enforcement involvement were enforced returns. To note, increasing the number of refusals may also increase the number of people claiming asylum.

168. The removal and asylum costs are estimated to be between £204.3 million and £340.5 million, with a central estimate of £272.4 million (2027/28 prices, PV).

⁴³ Lost fees cover a reduction in lost visa fee, IHS and resettlement fees.

Tax Revenue lost

169. The reduction in grants and increase in refusals means that there will be fewer migrants with immigration status, which leads to a number of impacts resulting from the change in the status of the cohort. Due to a reduction in those with immigration status, this will lead to a reduction in tax revenue such as income tax, from those migrants would have been in legal employment.
170. The estimate cost from this group is between £824.6 million and £1,374.4 million, with a central value of £1,099.5 million (2027/28 prices, PV).

Fee income

171. Due to an increase in denied Article 8 ECHR claims, there will be a reduction in fee income for the government from visa fees, IHS and settlement fees as fewer people will be reapplying for Article 8 every 30 months.
172. The reduced fee income is estimated to be £529.4 million (2027/28 prices, PV).

Total ongoing costs

173. The total ongoing costs are estimated to be between £1,795.6 million in the low scenario and £2,168.8 million in the high scenario, with a central estimate of £1,982.2 million (2027/28 prices, PV). To note, appeal costs and Immigration Enforcement removal costs are likely to occur shortly after an Article 8 ECHR claim is refused.

Pillar 4: Modern Slavery

Measure 16: Prevention (transparency in supply chains)

Impacts are split by sub-measure.

Bring public bodies with a budget of £36 million and over in scope

Public bodies

174. Annual costs to public bodies of this sub-measure reflect time to draft and publish statements.
175. Using a range of 15 to 35 hours and managerial wage rates, the total discounted midpoint ongoing cost is £1.59 million, for 10 years.

Mandate publication of statements to a central online repository

Public bodies

176. First year on-going costs to public bodies are estimated to be less than £0.01 million. These relate to submitting the modern slavery statement to the reporting service which is estimated to take one hour. Ongoing costs following the initial year are estimated to be less than the initial year but still less than £0.01 million per year, for 9 years. There is a difference between the initial and following years as the time taken to submit a statement is assumed to reduce by half to 30 minutes after the first year (see assumption D).
177. The total 10-year discounted ongoing cost is estimated to be £0.04 million.

Businesses

178. First year on-going costs are estimated to be approximately £0.4 million. This cost relates to submitting the modern slavery statement to the reporting service, estimate to

take one hour. The ongoing cost following the initial year is estimated to be approximately £0.2 million per year, for nine years. There is a difference between the initial and following years as the time taken to submit a statement is assumed to reduce by half to 30 minutes after the first year. The total 10-year discounted ongoing cost is estimated to be £2.0 million.

Measure 17: Enforcement (slavery and trafficking risk orders and slavery and trafficking provision orders)

Criminal Justice System

179. The ongoing costs related to enforcement are on the criminal justice system, resulting from the increased number of STRO/STPOs being issued. They concern three main areas:
- a. Those resulting from the administrative and legal processes of increased STRO/STPO volumes.
 - b. Those resulting from the new powers to allow electronic monitoring of individuals under STRO/STPOs.
 - c. Those resulting from individuals breaching STRO/STPOs.
180. Greater powers to enforce and better knowledge of STRO/STPOs may lead to an increase in the volume of orders issued. The likely increase is unknown. However, this analysis assumes orders increase by between 25 to 75 per cent to estimate the potential cost to police services and the criminal justice system. The costs below have been estimated on this basis.
181. The cost impact of the potential increase in volumes of STRO/STPOs will be incurred by the courts holding additional hearings and processing the necessary administration, and the police services applying for and administering the new orders. The estimated 10-year PV of this cost is expected to range from £0.7 million in the low scenario, to £1.9 million in the high scenario, with a central estimate of £1.2 million.
182. The new powers include the explicit provision to impose electronic monitoring on those with an STRO/STPO. This will enhance law enforcement’s ability to proactively monitor and manage an individual’s offending risk and manage breaches faster. The estimated 10-year PV of this cost is expected to range from £0.3 million in the low scenario, to £1.1 million in the high scenario, with a central estimate of £0.5 million.
183. The increase in potential breaches resulting from the increase in STRO/STPOs being handed out will incur costs. The main component costs are those to the courts of processing additional charges, and to HMPPS of maintaining the additional prison places being taken up by offenders where the sentence is custody. The estimated 10-year PV of this cost is expected to range from £1.3m in the low scenario, to £2.9m in the high scenario, with a central estimate of £2.0m.

Table 5: Criminal Justice System Ongoing Costs by area (£ million, 2027/28 prices, PV)

	Low	Central	High
Administrative and Legal	0.7	1.2	1.9
Electronic Monitoring	0.3	0.5	1.1

Breaches	1.3	2.0	2.9
Total Criminal Justice System Costs	2.3	3.7	5.9

Measure 18: Temporary permission to stay

184. Individuals with a grant of TPS are entitled to receive Universal Credit if they are out work. An estimated 66 per cent of this cohort would be entitled to Universal Credit, using refugees as a proxy. Removing this form of leave presents a cost to the individual as they would no longer be eligible to receive this welfare payment.
185. The 10-year PV of this cost is estimated to range from £12.9 million in the low scenario to £15.8 million in the high scenario, with a central estimate of £14.3 million.

Non-Monetised Costs

186. Many of the measures incur costs that have not been monetised due to uncertainty and an absence of data on the quantifiable impact of the policies. A description of these non-monetised costs is outlined below.

Pillar 1: Appeals reform

IIAA Set-Up

187. The establishment of the IIAA is expected to require significant Home Office resource, including a dedicated programme team, analytical and digital support.
188. The staff costs associated with the set-up of the IIAA are currently uncertain, as detailed staffing models, and internal and external resourcing requirements have not yet been finalised.

First Tier Tribunal ramp down

189. Once the IIAA is set up, the FTT-IAC is expected to gradually ramp down as it clears existing backlog, assuming no legacy cases are transferred to the IIAA. This ramp down, and dual running period, is expected to generate significant costs when compared to the counterfactual (running of the FTT-IAC alone).
190. Many FTT costs, particularly estates and other contractual arrangements, are largely fixed and cannot be reduced in line with falling case volumes. As a result, these costs are expected to continue until full FTT closure, driving comparatively high ramp down costs. There will also be further administrative and IT costs associated with the transfer and decommissioning of case management systems, alongside ongoing hosting and licensing charges. Any contract changes required to support this transition would represent a further cost burden.
191. Significant ongoing judicial liabilities must also be considered as part of the ramp down of the FTT. Judges hold lifetime appointments, meaning salary and pension liabilities will persist beyond FTT-IAC closure. There are also expected to be additional costs of training for any judges reassigned to a new chamber and administrative costs of judicial reassignments.
192. Many of the ramp down costs are subject to considerable uncertainty. In the absence of a finalised IIAA timeline, it is unclear when the ramp down would be complete, and while a range of operational challenges can be anticipated, their scale and duration

cannot be precisely determined at this stage, so the transition costs remain non-monetised.

Upper Tribunal costs

193. The introduction of the IIAA, and the associated increase in appeals throughput, is expected to lead to a sustained increase in demand for the Upper Tribunal. As the IIAA processes a significantly higher volume of cases than the FTT, a greater number of appellants are expected to challenge outcomes, leading to a higher volume of onward appeals to the Upper Tribunal. This increase in demand is expected to cause substantial cost pressures for the Upper Tribunal both during the transition period and in the long term, as case volumes are expected to be higher than the FTT throughout to avoid a backlog in the IIAA.
194. The transition period in particular is likely to be associated with pronounced cost increases as the system adjusts to higher volumes and new operational requirements. The principal costs for the Upper Tribunal during this period mirror those observed for the FTT during its ramp down. These include increased staff costs, potentially including staff retention costs to maintain operational continuity, ongoing judicial liabilities arising from lifetime judicial appointments, and additional investment in digital infrastructure and monitoring information reporting to support higher case volumes and system oversight.
195. As with FTT ramp down costs, there is a degree of uncertainty around the scale and duration of these impacts, so these costs remain non-monetised.

Legal Aid

196. During the transition period and once the IIAA is fully established, it is anticipated that its daily caseload will exceed that of the current FTT. This is necessary to prevent the accumulation of backlogs. Demand for legal aid is expected to be higher than under the FTT baseline scenario.
197. Increased demand is likely to result in higher legal aid expenditure, including both provider fees and associated administrative costs. These pressures are expected to be most pronounced during the transition period. However, the scale of the impact remains uncertain due to uncertainties around case flows and legal aid take-up.
198. Legal aid costs could increase further if cases are resolved more quickly within the IIAA system, as this would bring forward fee payments. The magnitude of this effect remains uncertain.
199. Increased case flows into the Upper Tribunal are also likely to increase demand for legal aid, placing further upward pressure on costs.
200. Any expansion in the scope of legal aid that the IIAA may introduce as part of its wider objectives, potentially aimed at reducing late claims and delays, would also increase associated costs. As final plans for the IIAA are still under development, the financial implications remain highly uncertain at this stage.

Estates

201. Alongside online provision, the IIAA is expected to operate from multiple estates across the UK.

202. The costs associated with transitioning existing government-owned estates to the IIAA, as well as any requirement for additional estates, are currently uncertain. This uncertainty reflects the ongoing design of a hybrid operating model utilising virtual hearings, and negotiations to transfer estates from the FTT to the IIAA at appropriate timings.

Staff

203. Within the IIAA, appeal decisions will be made by adjudicators. The staff costs associated with adjudicators are currently unknown, although they are expected to be lower than the staff costs associated with judges in the FTT.

204. In addition to decision-making, the IIAA will require supporting staff for administration, legal support and operations, as well as corporate roles such as senior leadership and human resources.

205. The total staff costs associated with the IIAA are currently uncertain as staffing models, including grade requirements, have not yet been finalised.

Familiarisation costs

206. Familiarisation costs will arise from training and accreditation of new members and employees, to both IIAA processes and making decisions on appeals. Training requirements and associated costs have not yet been finalised but are expected to be significant.

IT/Digital

207. The set up of the IIAA is expected to require significant digital development, particularly to support case flow management, prioritisation and reporting. This will also require integration with existing Home Office Digital and HM Courts and Tribunals Service (HMCTS) systems that currently manage appeals case flow.

208. In addition to digital set-up costs, the IIAA is expected to require IT hardware, such as video conferencing and recording equipment.

209. New digital systems and associated IT hardware are also expected to generate ongoing costs, including maintenance, support, and replacement. These costs have not been estimated at this stage, as the scale and complexity of the required digital development and hardware provision remain uncertain.

210. Costs associated with digital and IT requirements have not been estimated at this stage, as the scale of digital development and hardware requirements is currently uncertain.

Home Office Appeals Representation

211. Creation of the IIAA (whilst the FTT-IAC continues to operate at full capacity) will also create the need to grow the Home Office Asylum First Tier Tribunal (AFTT) division which currently represents the Home Secretary in appeal proceedings. This division contains the Appeals Processing Centre (APC), Pre-appeal Review Unit (PARU) and the Presenting Officer Unit (POU).

212. As the case flows to the IIAA, and ramp down plans for the FTT-IAC have not yet been finalised, the scale of increase in costs related to Home Office representation at appeals proceedings is currently uncertain.

Cross-government costs

213. The IIAA is expected to have greater capacity than the FTT-IAC and will be able to process and determine a higher volume of appeals, in shorter timeframes compared to the FTT-IAC today. As a result, there will be a shift in the timing and composition of decisions, rather than a change in overall decision volumes.
214. There may be a temporary increase in those receiving an overturned decision to a grant. This could increase short term cost pressures for local authorities, particularly relating to accommodation provision and wider public services, and for the Department for Work and Pensions (DWP) through increased access to public funds, including Universal Credit and housing benefit.
215. There is an absence of evidence on the potential behavioural impacts of earlier integration and decisions. Any cross-government costs of earlier grants or refusals are likely to be mitigated by the potential benefits of earlier integration (see paragraph 284). The cross-government costs of speeding up appeals have not been monetised.

Failed Asylum Seeker Costs

216. Increasing the number of appeals processed each year brings forward unsuccessful outcomes for some individuals. This results in a temporary rise in costs for failed asylum seekers who may continue to require accommodation.
217. It is not yet clear which case types will be prioritised by the IIAA, and the extent to which supported populations will be affected by prioritisation is uncertain. As a result, the costs associated with supporting failed asylum seekers remain uncertain at this stage.

Removals

218. Faster processing of appeals by the IIAA is expected to reduce legal barriers to removal for this cohort and thereby enable accelerated enforced returns from the UK. This would result in an increase in Immigration Enforcement costs, particularly in relation to flights, escorting and associated operational activity. These costs are expected to scale in line with increased removals and should be considered an enabler of the intended outcomes, rather than an unanticipated burden.
219. As above, it is not yet clear which case types will be prioritised by the IIAA, and the extent to which those eligible for return by the Home Office will be progressed. As a result, the costs associated with additional returns have not been monetised.

Pillar 2: Recovering asylum support costs

Measure 8: Recovering asylum support costs

220. There is no set-up cost associated with the power of the Home Secretary to recover asylum costs which this legislation provides.
221. However, there will be set up costs associated with the process of recovering asylum support costs, the details of which will be set out in, and appraised for, secondary legislation.
222. There may be ongoing costs associated with running such a system (for example, staffing, IT) as well as enforcement. These are details that will be set out in, and appraised for, secondary legislation.

223. Some individuals who have received asylum support and are required to repay part or all of these costs may become part of UK society (for example, those granted protection status). This would represent a welfare loss to those individuals compared to those who have not had to provide a contribution to costs incurred. Secondary legislation will define how people who have received asylum support will repay costs, and the size of costs to be repaid. The extent of this impact is not known currently.

Pillar 3: Article 8 of the European Convention on Human Rights reform

Measure 11: Public Interest Test

The impact of migrants that may remain within the UK without legal status:

224. Migrants already in the UK who are refused an Article 8 claim may not necessarily leave the UK and could remain without lawful status. Based on outcomes for those refused a Family and Private Life visa in 2022, it is estimated that around 55 per cent may not leave the UK following refusal. However, this impact has not been monetised, as the overall fiscal effect would depend on the balance between reduced tax revenues and lower welfare expenditure, and we do not hold sufficient data on welfare receipts among Article 8 claimants to make that assessment.

Lost economic output

225. In addition to the fiscal cost from denied claimants, who otherwise would have been granted Article 8, and could have been working in the UK, there could be lost output to the UK economy from these claimants who otherwise would have worked before the policy changes.

Family separation

226. There may be a negative impact on individuals and households that are prevented from sponsoring a family member in the UK. It is not possible to accurately quantify the impact of this, but it could be significant.

Familiarisation costs

227. There will be some familiarisation costs as a result to changing the guidance. These costs will occur to caseworkers within the Home Office, judges and administrative staff in the Tribunal and Courts system and legal representatives for those involved in appeals.

228. For Article 8, however, these costs are assumed to be a negligible time commitment, so familiarisation costs have not been included in the NPSV for this policy.

Measure 11: Public Interest Test (Foreign National Offenders)

Familiarisation costs

229. There will be public sector familiarisation costs for judges in the FTT (Immigration and Asylum Chamber) and Upper Tribunal (Immigration and Asylum Chamber). Home Office Presenting Officers, who represent the Home Secretary in deportation appeals, would also be required to familiarise themselves with the revised Article 8 regime.

230. There will be private sector familiarisation costs associated with solicitors and barristers understanding the revised Article 8 regime for those subject to deportation.

Removals for Foreign National Offenders deportations

231. A more stringent Article 8 system for those subject to deportation is expected to result in fewer allowed appeals on Article 8 grounds, leading to an increase in deportations. Removing more FNOs leads to increased flights cost and use of escorting resource.
232. Additional appeals which are not allowed against deportation may lead to a fresh application (known as 'further submissions') or appealing on a different issue and additional immigration and asylum appeals system costs.
233. It is not possible to estimate how many additional FNOs deportation appeals on Article 8 grounds will not be allowed. It depends on the subjective interpretation of factors like the elevated threshold by lower court judges.
234. This measure introduces a requirement to consider whether the impact on the potential deportee and/or their partner or child is 'unjustifiably harsh' when balanced against the public interest for appeals against deportation related to family and private life cases under Article 8.
235. This means it will only be now in exceptional, rare cases that a person's deportation would be a disproportionate interference to their family life balanced against the public interest in deportation of a foreign national offender. An assessment in line with the duty in section 55 of the Borders, Citizenship and Immigration Act 2009⁴⁴ will still be made in every deportation decision involving a child in the UK, to assess the child's best interests and how deportation would affect them.

Pillar 4: Modern Slavery

Measure 13: Modern Slavery identification model

Disqualification measures

Potential Litigation Costs

236. There are expected to be legal issues related to the widening of the disqualification scope, with low level offending individuals likely to challenge that they don't still pose a risk of further reoffending. Both would incur additional costs to the government, although the scale of these is not known.

Potential Victims

237. The legislation will lead to a lower number of potential victims receiving the support to which they would otherwise be entitled through the NRM. This may result in poorer recovery outcomes for some and may risk re-exploitation of potential victims who have been convicted of a criminal offence, once support is withdrawn. In addition, there is a risk that individuals who may have committed offences due to being enslaved will be removed from support, further increasing the chance likelihood of worsening overall outcomes.

Credibility measure

Familiarisation costs

⁴⁴ Borders, Citizenship and Immigration Act 2009 – GOV.UK: <https://www.legislation.gov.uk/ukpga/2009/11>

238. There will be one-off implementation costs to the Home Office relating to guidance updates, training and familiarisation for decision makers. These are likely to be minimal.

Potential Victims

239. This measure may lead to more potential victims being excluded from the NRM on credibility grounds which will limit access to modern slavery support entitlements. This may result in poorer recovery outcomes for some and may risk re-exploitation of potential victims who have been convicted of a criminal offence.

Issuing a Conclusive Grounds decision before the end of the recovery period; and Negative CG decisions ending the recovery period measure:

Familiarisation costs

240. There will be one-off implementation costs to the Home Office relating to training and familiarisation for decision makers. These are likely to be minimal.

Potential Victims

241. Potentially a small cost arising from potential victims that receive a negative CG exiting support earlier/do not receive the full 30-day recovery period. This may result in poorer recovery outcomes for some and may risk re-exploitation of potential victims.

Measure 14: Support (delegated decision-making power for Home Office support providers)

242. As this is a legislative change to place the current support provided to child and adult victims of modern slavery on a statutory footing, there are no associated costs with this measure.

Measure 15: Support (children) Independent Child Trafficking Guardians

Familiarisation costs

243. There may be limited familiarisation costs to the Home Office arising from updating statutory guidance, internal processes and contractual documentation to reflect the clarified statutory framework and duties on public authorities. These costs are expected to be minimal.

244. There are also potential administration costs incurred from allocating children the most appropriate level and type of support required.

245. Officials and practitioners in public authorities (local authorities, police and NHS bodies) will need to familiarise themselves with updated statutory provisions and adjusted expectations regarding ICTG involvement. This will take some time although associated costs are expected to be minimal and absorbed within existing resources.

Measure 16: Prevention of Modern Slavery (transparency in supply chains)

Impacts are split by sub-measure.

Bring public bodies with a budget of £36 million and over in scope

Public bodies

246. Public bodies may incur additional costs from taking action to investigate or prevent modern slavery in their supply chains. However, any additional actions taken by public bodies beyond reporting requirements are optional and treated as indirect costs.

Mandate reporting on certain topics to include steps taken to address modern slavery in supply chains

Businesses and Public Bodies

247. Ongoing costs are likely to be minimal, as organisations may explicitly state where no action has been taken. Reporting organisations will continue to have flexibility over the content of their modern slavery statements. The legislation does not mandate a minimum level of action; it requires only reporting on actions taken. This position will remain unchanged. Organisations will retain discretion over the level of detail included, subject to mandatory reporting against six specified areas.

248. Any additional mitigating actions undertaken voluntarily by companies as a result of mandating the six areas are indirect costs, potentially offset by corresponding benefits.

Mandate publication of statements to a central online repository

Businesses and Public Bodies

249. Increased transparency may encourage businesses and public bodies to exceed minimum requirements. Any resulting additional activity is treated as an indirect cost.

Bring greater clarity on approval for statements, make express provision for group statements and introduce a reporting deadline

Businesses and Public Bodies

250. Public Bodies and Businesses may incur small one-off adjustment costs where reporting and approval processes must be realigned or duplicated if they do not currently report within this timeframe.

Introduce civil penalties for non-compliance

Home Office

251. Initial one-off costs relate to designing and legislating the civil penalty framework, including legal drafting, defining enforcement powers, and establishing oversight arrangements. Additional one-off costs would arise from setting up enforcement processes, developing or adapting IT systems to monitor compliance, producing guidance for businesses and public bodies, training staff, and undertaking initial communications and stakeholder engagement.

252. Ongoing costs will arise from administering and enforcing the regime, including monitoring compliance, investigating breaches, issuing penalties, and managing appeals. There would also be costs to maintain IT systems, update guidance, train staff, and evaluate the effectiveness of the regime.

Businesses and Public Bodies

253. Public Bodies and Businesses that are in scope of this measure who do not comply with this measure pay fines to the enforcement agency, which is an ongoing cost to them. This has not been monetised. The scale of this will be dictated by the size of the fines (which is currently unknown) and the proportion of in-scope entities that do not

comply. The level of non-compliance is unknown and there are no analogous regimes with which to compare.

Measure 17: Enforcement (slavery and trafficking risk orders and slavery and trafficking provision orders)

254. There are no expected additional non-monetised costs of this measure.

Measure 18: Temporary permission to stay

Government

255. There is likely to be a loss of tax revenue to government resulting from fewer individuals being able to work because of TPS recovery no longer being a form of leave. However, this impact would be minimal due to the likely low employment and wage level of the victims of modern slavery.

Victims of Modern Slavery

256. A study by Kalayaan (2019)⁴⁵ found that withdrawing the right to work increases the risk of destitution and vulnerability to re-exploitation. Removing TPS recovery (assuming the individual does not receive another form of leave) may lead to poorer outcomes for some individuals, with potential wider costs to the public purse, although the magnitude of this impact cannot be quantified.

Home Office

257. Where TPS recovery is no longer available and an individual does not receive another form of leave, affected individuals may require Home Office support until removal. This could shift costs previously met through general state welfare to the Home Office.

Measure 19: National rollout of devolved decision making for children

Local authorities

258. To implement devolved NRM decision-making, local authorities will require additional staff. Within the Pilot, between 1 and 1.5 FTE has been sufficient to support sites with decision-making. However, it is anticipated that formal devolution will carry a greater burden due to the further risks and responsibilities local authorities will be required to manage, such as quality assurance. Further work is required to understand full impact this will have on the resourcing required.

Public services

259. Implementation of the measure will impose additional time constraints on police and health services from additional time spent on panels making NRM decisions. Further work is required to understand full impact this will have on the resourcing required.

Measure 20: National Referral Mechanism reform to withdraw support for victims

Potential victims

⁴⁵ Dignity, Not Destitution: The impact of differential rights of work for migrant domestic workers referred to the National Referral Mechanism - https://www.kalayaan.org.uk/wp-content/uploads/2019/10/Kalayaan_report_October2019.pdf

260. Under the current system of adult support victims who cease to be provided with state support services due to non-compliance, such as asylum support or welfare benefits, are still eligible to receive modern slavery support. However, this measure would also remove eligibility for modern slavery support, such as accommodation and financial assistance, unless there was a presenting re-trafficking risk. This represents a cost to the potential victim (for example, increased risk of homelessness), where withdrawal of state support results from a provider decision to cease assistance on the basis of non-compliance. However, due regard will be given to ECHR Article 3 and 4 duties, and the extent of this impact is all dependent on how many victims fail to comply with relevant wider state services, and the extent to which this measure serves to increase compliance, both of which are unknown.

Pillar 5: Measures to strengthen the UK's Asylum and Immigration System

Measure 21: Core Protection: Single Concept of Protection

Digital

261. This measure would require a new case type to replace refugee and humanitarian protection on Home Office IT systems. This will also require work in Digital Status to map to the new case type, and on links to DWP systems so access can be granted to the data.

262. Detailed design of the new process is ongoing, so it is not yet possible to attribute a cost, however significant change related to a single concept of protection is not expected.

Travel Documentation

263. Currently, those with humanitarian protection status are required to apply for a Certificate of Travel to leave the UK, whilst refugees apply for a Refugee Travel Document. Under this measure, all asylum seekers being granted Core Protection will be able to apply for the same travel documentation.

264. The number of people being granted humanitarian protection status is small (approximately 4,000 per year for the last three years), and there is an absence of evidence of their travel patterns and applications for a Certificate of Travel for other reasons, for example need for emergency travel, children of refugees. The extent to which this measure impacts applications for travel documents and any associated income or processing costs to the Home Office is uncertain.

Measure 22: Core Protection: Refugee Convention Interpretation Clause - of 'Lawfully Staying'

265. There are no expected costs of this measure.

Benefits

Monetised Benefits

Table 6: Outline of the monetised benefits over the appraisal period (10 years) (£ millions, 2027/28 prices)

	Low	Central	High

Pillar 1 Total	-	-	-
Appeals Reform	-	-	-
Pillar 2 Total	-	-	-
Recovering Asylum Support Costs	-	-	-
Pillar 3 Total	1,467.9	1,936.2	2,404.5
How and when to make an Article 8 claim	-	-	-
Article 8 dependency	-	-	-
Public interest test	1,467.9	1,936.2	2,404.5
Pillar 4 Total	17.1	19.4	21.8
Modern slavery identification model	-	-	-
Legal basis for support provided to victims of MS	-	-	-
Support (children) ICTGs	-	-	-
Prevention of Modern Slavery (transparency in supply chains)	-	-	-
Enforcement (slavery and trafficking risk orders and slavery and trafficking provision orders)	0.7	1.2	1.8
Temporary Permission to Stay	17.0	18.9	20.8
National rollout of devolved decision making for children	-	-	-
NRM reform to withhold modern slavery support from victims sanctioned by asylum support or other state services	-	-	-
Pillar 5 Total	-	-	-
Core Protection: Single Concept of Protection	-	-	-
Core Protection: Refugee Convention Interpretation Clause - of 'Lawfully Staying'	-	-	-
Total	1,485.7	1,956.3	2,427.1

Source: Home Office Internal Calculations

266. The monetised total benefit for legislation is £1,956.3 million in the central scenario. This benefit covers the measures below.

Pillar 3: Article 8 of the European Convention on Human Rights reform

Measure 11: Public Interest Test

267. Benefits from the measure stem from reduced volumes of Article 8 grants, the reduced public sector costs from migrants leaving, and from reduced access to benefits from migrants who remain as illegal migrants. There are also reduced admin costs and potential increases in appeal fees.

Table 7: Monetised benefits for Article 8 (£ millions, 2027/28 prices)

	Low	Central	High
Fiscal pressures avoided	1,404.8	1,873.1	2,341.3
Reduced public sector costs	59.9	59.9	59.9

New appeal fees	3.3	3.3	3.3
Total benefits	1,467.9	1,936.2	2,404.5

Source: Home Office Internal Calculations

Fiscal pressures avoided

268. The reduction in Article 8 grants through increased refusals is assumed to result in an avoidance of fiscal pressures, as after a refused visa application outcome (and any subsequent appeal that upholds the refusal), access to state provisions (healthcare, education, housing, welfare, etc) is reduced to zero for migrants that then leave the UK.
269. In year 1 of the appraisal period, it is estimated that the cohort of refused applicants who leave the UK will reduce the fiscal pressure on the government by between £22.1 million in the low scenario and £36.8 million in the high scenario, with a central estimate of £29.5 million. This fiscal pressure is then avoided for each year throughout the 10-year appraisal period; the total estimated reduction in fiscal pressure from this year 1 cohort over the 10 years is between £271.4 million and £452.4 million, with a central estimate of £361.9 million. In year 2, there is a new cohort of applicants estimated to have visa applications refused and leave the UK, with their fiscal pressures avoided from year 2 to year 10 of the appraisal period. This accumulates for each additional cohort of migrants for the remaining years across the 10-year appraisal period.
270. The total benefit of the reduced fiscal pressure (cumulative over the 10-year appraisal period) is estimated to be between £1,404.8 million in the low scenario and £2,341.3 million in the high scenario, with a central estimate of £1,873.1 million (2027/28 prices, PV).

Reduced public sector costs

271. There is likely to be a reduction in public sector admin costs from fewer Article 8 reapplications due to a reduction in grants, resettlement costs, and reduced IHS admin costs. The total benefit of this is estimated to be £59.9 million (2027/28 prices, PV).

Appeal fee income

272. Due to a likely increase in appeals, there will be an increase in appeal fees paid by claimants, increasing the revenue received by the government. The total benefit of this is estimated to be £3.3 million (2027/28 prices, PV). This increase in benefit may be mitigated through a reduced success rate for individuals who appeal Home Office decisions due to tighter / clearer rules – however the impact on appeal success rates is unknown and unquantified.
273. The total monetised benefits are estimated to be between £1,467.9 million in the low scenario and £2,404.5 million in the high scenario, with a central estimate of £1,936.2 million (2027/28 prices, PV).

Pillar 4: Modern Slavery

Measure 17: Enforcement (slavery and trafficking risk orders and slavery and trafficking provision orders)

Societal Benefits

274. The measures are expected to lead to an increase in the number of STRO/STPOs issued due to: police forces being able to apply orders on individuals from outside of

their area, extending the powers of BTP to apply for, vary, and renew orders; and allowing Crown Courts to issue STROs (currently they can only issue STPOs). As set out in the costs section the overall impact is unknown. However, for the purposes of this assessment, this is assumed to lead to an increase in STRO/STPOs of between 25 per cent and 75 per cent.

275. This may lead to some crimes being averted due to the deterrent effect of STRO and STPO application. For this assessment, it is assumed that, after accounting for the proportion of offenders who breach their order, a successfully applied STRO or STPO prevents all potential future offending among the remaining cohort. Given uncertainty around the scale of the impact, low, central and high scenarios have been assumed. The 10-year present value (PV) of this benefit is expected to range from £0.7 million in the low scenario to £1.8 million in the high scenario, with a central estimate of £1.2 million.

Measure 18: Temporary permission to stay

Reduction in legal costs

276. Given its broad scope, TPS recovery is particularly susceptible to legal challenge. Removing TPS recovery could reduce the volume of legal challenges. This costing covers the three main costs of a legal challenge: the Government Legal Department cost, the case worker cost, and the adverse (payout) cost. This estimate used NRM referrals from 2025, the corresponding TPS decisions and the legal challenges that resulted from the decisions. The 10-year PV of this benefit is estimated to range from £4.1 million in the low scenario to £5.0 million in the high scenario, with a central estimate of £4.5 million.

Reduction in welfare spending

277. Individuals granted TPS recovery may be eligible for Universal Credit, which, when uplifted to 2027/28 prices, is estimated at £396 per month based on the average rate for a single individual. Removing TPS recovery could reduce public expenditure by limiting access to this support for affected individuals over the duration of their TPS grant (up to 30 months). This assumes that individuals who no longer qualify for TPS recovery do not subsequently obtain an alternative form of leave. The 10-year PV of this benefit is estimated to range from £12.9 million in the low scenario to £15.8 million in the high scenario, with a central estimate of £14.3 million.

Non-Monetised Benefits

278. It has not been possible to monetise all the benefits of the provisions set out in this Bill as there is limited evidence to quantify their economic impact. Many of the measures have intended benefits that have not been monetised due to uncertainty and an absence of data on the quantifiable impact of the policies. These intended benefits are listed in the section 4 of this IA, and as indicators of success within the strategic overview section of the evidence base.
279. The following summaries explain the way in which each measure could lead to one or more of these outcomes, with descriptions of other measure specific benefits outlined below. These non-monetised benefits should be considered when assessing the overall impact of the Bill.

Pillar 1: Appeals reform

Reduced Appeals wait time

280. The faster expected processing times under the IIAA will result in appeals being heard and resolved more quickly than under the FTT. Earlier decision-making is expected to improve outcomes by reducing uncertainty for individuals, supporting wellbeing, and making faster decisions where it is in the public interest.

Reduced supported population

281. The IIAA is expected to process more cases than the FTT-IAC and reduce the size of the supported population compared to BAU, reducing associated costs.

282. It is not yet clear which case types will be prioritised by the IIAA, and the extent to which supported populations will be affected by prioritisation is uncertain. As a result, the benefits associated with reducing the supported population remain uncertain at this stage.

Improved integration

283. The faster expected processing by the IIAA enables faster integration of prioritised cohorts whose claims are subsequently granted. This is caused by appeals being heard more quickly than in the baseline, allowing those individuals granted refugee status to integrate into UK communities sooner than otherwise would be possible. As a result, wider social and economic benefits may be realised, alongside improvements in individual welfare outcomes.

Additional removals

284. Faster processing of immigration-related appeals brought about by the IIAA could remove barriers to removal for this cohort and accelerate removals from the UK. This may lead to reductions in public service costs associated with individuals remaining within the system for longer.

285. It is not possible to determine how many failed appellants now being processed faster would be removed from the UK, and how much sooner this removal could happen as opposed to the counterfactual. As such, the scale of this benefit is uncertain.

Pillar 2: Recovering asylum support costs

Measure 8: Recovering asylum support costs

Reduced asylum support cost burden

286. The power to recoup asylum support costs is intended to reduce the burden on the taxpayer by reclaiming support costs from those eligible and able. The intention is to reduce the overall cost of asylum support to the taxpayer which was £4 billion in financial year 2024/25. The scale of benefits will be set out, and appraised for, in secondary legislation.

Make the UK a less attractive destination for asylum seekers

287. This power may discourage individuals from travelling to the UK illegally, thereby reducing the costs associated with supporting and processing asylum claims where these are subsequently made. This would be dependent on migrants having an awareness of the financial implications on them to inform their choices. For this to affect

migrant decision making, it would need to be aware through formal or informal lines of communication. It is not currently possible to evidence this effect.

Pillar 3: Article 8 of the European Convention on Human Rights reform

Measure 11: Public Interest Test

Deterrence / Reduction in misuse of Article 8 route

288. The stricter criteria for a successful Article 8 claim may deter future claims, in particular where individuals do not meet the requirements to reside in the UK. This could reduce the future number of people seeking Article 8 as a pathway to settlement following illegal entry or overstaying, and limit instances where individuals who do not meet the requirements of the immigration rules (such as Minimum Income Requirements, English Language Test) are granted leave. If these reforms lead to an increase in deterrence, this will be a benefit if those who have been deterred are an overall fiscal cost to the exchequer. The scale of any such deterrent impact is too uncertain to be monetised.

Impact on appeal rates

289. The policy may impact on appeal rates for individuals who appeal Home Office visa refusals due to tighter and clearer Article 8 rules. The policy changes may reduce the proportion of appeal decisions that overturn the Home Office's initial decision. If the appeal success rate for the migrant was reduced, this may in turn reduce the number that appeal in the first instance, knowing the outcome is less likely to be overturned, which could reduce overall costs. The policy impact on future success rates is unknown and unquantified.

Making the system fairer

290. The measures may strengthen perceived fairness by reinforcing the principle that compliance with the Immigration Rules carries weight in decision making, while reducing perceptions that individuals who enter or remain unlawfully can subsequently regularise their status through Article 8 claims. The measures may also improve consistency and predictability in decision making, which could support wider public confidence in the operation of the immigration system.

Wider family fiscal impact

291. The analysis captures only the fiscal impact of the individual applying under Article 8. It does not account for the wider fiscal impacts associated with the main applicant's family members or dependents, and their potential impact on the UK's fiscal position. It is expected that including the wider family unit within the analysis would increase the estimated fiscal costs of an Article 8 claimant. This has not been monetised due to an absence of data.

Lifetime fiscal impact of the Article 8 cohort

292. The appraisal period for this impact assessment is 10 years. Measured over this period the overall economic impact of the Article 8 cohort is estimated to be negative. When measured over the full lifetime of the migrant the negative impact is greater, as fiscal costs and contributions occur unevenly across the life course. While migrants are typically more economically active during their working years, fiscal costs associated

with healthcare, pensions and wider public services accrue later in life and are captured within a lifetime framework.

293. To estimate the lifetime impact, the Home Office has replicated the Migration Advisory Committee's lifetime fiscal impact analysis⁴⁶ to estimate the long-term fiscal impact of family migration. The model considers the discounted value of taxes paid minus the cost of public services and transfers consumed over a life course. This includes direct, indirect and capital taxes, alongside spending on health, education, welfare and wider public services. The model excludes visa fee income and IHS contributions.
294. Using estimates of earnings of Family partner and Article 8 visa holders, the Home Office estimated a net lifetime fiscal impact of -£112,000 for the average Family Partner visa grantee, compared with -£141,000 for a Family and Private Life grantee. These estimates are for main applicants only and do not capture the fiscal impact of dependants associated with the cohort, including children. This suggests the estimated fiscal profile of the Article 8 cohort is slightly lower than other family migration routes. Family routes are in general associated with lower average fiscal contributions than other migration routes because they are not selected primarily on economic criteria.
295. These estimates are subject to significant uncertainty as they rely on long-term assumptions about earnings, behaviour, and public spending, exclude wider macroeconomic changes, and require allocation assumptions for taxes and public goods. Results are sensitive to these methodological choices and should be interpreted as indicative rather than precise estimates of lifetime fiscal impact.

Measure 11: Public Interest Test (Foreign National Offenders)

296. A more stringent Article 8 system for those subject to deportation is expected to result in fewer allowed appeals on Article 8 grounds, leading to an increase in deportations. Removing more FNOs leads to benefits such as reduced social harms from potential reoffending, illegal employment, and legitimate public service resource use.
297. It is not possible to estimate how many additional FNOs deportation appeals on Article 8 grounds will not be allowed. It depends on the subjective interpretation of the elevated threshold by lower court judges.

Pillar 4: Modern Slavery

Measure 13: Modern Slavery identification model

Impacts are split by sub-measure.

Disqualification measures

Home Office

298. Improving the legal basis for disqualification will remove a barrier to removal that a pending or positive CG decision provides for all those with a criminal history.
299. The policy will result in potential support cost savings from more potential victims being disqualified and decision-maker cost savings from not progressing through the system.

⁴⁶ Migration Advisory Committee, Annual Report 2025, GOV.UK: <https://www.gov.uk/government/publications/migration-advisory-committee-annual-report-2025/migration-advisory-committee-mac-annual-report-2025-accessible#chapter-1-fiscal-analysis-of-the-family-visa>

Credibility measure

Home Office

300. These changes are expected to result in reduced identification and victim support costs where more potential victims are excluded from the NRM on credibility grounds. They should also contribute to increased legal certainty and confidence in decision making, leading to more consistent and defensible reasonable grounds and CG outcomes.
301. In addition, clearer criteria may reduce incentives for individuals to make late referrals into the NRM.
302. Together, these factors could contribute to lower legal costs associated with judicial reviews and appeals, as well as cost avoidance through reduced time spent revisiting or defending decisions where credibility is central.

Issuing a Conclusive Grounds decision before the end of the recovery period; and Negative Conclusive Grounds decisions ending the recovery period measure:

Home Office

303. These changes are expected to improve system efficiency by enabling individuals with negative CG decisions to move through the system more quickly. They may also provide a clearer deterrent against misuse of the NRM, as individuals are not guaranteed extended time in the UK following a negative decision. In turn, this is likely to reduce victim support costs where individuals with negative decisions spend less time in support.

Potential Victims

304. Faster CG decisions will allow victim status to be established more quickly.

Measure 14: Support (delegated decision-making power for Home Office support providers)

305. This measure doesn't result in any policy changes but ensures the requisite legal basis for the current support arrangements for children and adults.

Measure 15: Support (children) Independent Child Trafficking Guardians

Independent Child Trafficking Guardians

306. Clearer and more consistent recognition of ICTGs by public authorities and stronger assurance of ICTG independence. This also supports greater consistency across local areas, by reinforcing in statute the expectation that ICTGs act in the child's best interests and are appropriately involved in decision-making, reducing reliance on variable local practice.

Potential child victims of modern slavery

307. Improved experience, particularly where more flexible engagement supports understanding, trust, and participation, and greater legal and operational clarity across the system. Specifically, the changes are expected to improve how children experience the system, especially where ICTGs are enabled to engage more flexibly and directly

with children, helping them understand what's happening, build trust, take part in decisions and benefit from clearer, more consistent ways of working across agencies.

System efficiency

308. Clearer statutory roles and more consistent ICTG involvement may lead to small downstream efficiencies, including better coordinated decision making, earlier identification, improved modern slavery and exploitation specific advice, and resolution of issues and reduced likelihood of adverse outcomes requiring costly interventions.
309. Reduced legal risk through legislation that is aligned with current and future ICTG delivery and the policy model. Possible cost savings from allocating children the most appropriate level and type of support required.

Measure 16: Prevention of Modern Slavery (transparency in supply chains)

Improve identification of victims

310. Increased awareness and identification of risk. Extending the reporting requirement to public bodies is expected to increase awareness of modern slavery risks within organisations' own operations and supply chains in the UK and internationally. This may improve identification of potential victims encountered through frontline services and support remediation of harms within supply chains, though the extent of this is not known.

Improved transparency and coverage of reporting

311. Mandating reporting across six specified areas and extending to public bodies will encourage organisations to consider a broader range of modern slavery risks that may otherwise be overlooked. Consultation evidence indicates that many organisations currently report against only a subset of these areas. Improved coverage of areas and the extension to the public sector is expected to support better identification and, over time, reduction of modern slavery risks.

Enhanced accountability and comparability

312. Requiring publication on a central registry and introducing a reporting deadline is expected to improve accessibility, consistency and comparability of statements. This will strengthen the ability of consumers, investors, civil society and others to scrutinise and hold organisations to account, incentivising year on year improvements in practice.

Incentivising action to reduce modern slavery

313. Taken together, the measures may indirectly encourage increased action by businesses, public bodies and their suppliers to prevent modern slavery, contributing to reduced victimisation in the UK and internationally.

Economic and reputational benefits for organisations

314. Greater transparency can generate positive economic impacts by improving investor, consumers and general public confidence including making more informed purchasing decisions.
315. Evidence suggests that exposure to modern slavery risks can undermine investor relations and damage brand value. It can also have a very damaging impact on the reputation of the public sector, which leads to increased scrutiny by Parliament and the

press, which could increase workload and costs to the public purse. Improved disclosure may support increased investment opportunities, ethical consumption and enhanced public trust, particularly for public bodies.

Reduced administrative friction and improved collaboration for organisations

316. A single, government owned reporting service will reduce confusion around compliance and make it easier for organisations to demonstrate that they have met statutory requirements. Enhanced transparency and comparability may also enable peer learning, industry collaboration and coordinated action to address shared supply chain risks, increasing leverage and cost effectiveness.

Improved compliance and fair competition

317. Mandating reporting across six areas, combined with a central registry and a reporting deadline, will support more effective monitoring and enforcement. This is expected to increase overall compliance and promote fair competition by reducing the scope for non-compliant organisations to gain advantage over compliant peers.

Compliance income

318. The income from fining non-compliant entities that are in scope of this measure is treated as a non-monetised benefit. This is because the extent of income will be dictated by the size of the fines (unknown at the moment) and the proportion of in-scope entities that do not comply.

Measure 17: Enforcement (slavery and trafficking risk orders and slavery and trafficking provision orders)

319. There are no expected non-monetised benefits of this measure.

Measure 18: Temporary permission to stay

Increased cooperation with authorities

320. Removing TPS recovery could lead to displacement effects where more victims cooperate with law enforcement to obtain another form of TPS leave. Currently TPS for reasons of cooperation make-up a very small proportion of total TPS grants of leave.

321. Victims of modern slavery also have a very low rate of cooperation with authorities in general due to fear of reprisals. The possible displacement effect has not been estimated due to an absence of evidence and data.

Removals

322. TPS recovery can be used to challenge removal from the UK. Removing this route would eliminate a barrier to removal and support more efficient system operation, particularly in the implementation of removal agreements with other governments.

Measure 19: National rollout of devolved decision making for children

Faster National Referral Mechanism decisions

323. There is potential for decisions to be processed faster, providing children with outcomes more quickly. Each local authority is responsible only for making decisions for children within their respective area and will have a smaller, more focused caseload than the

Home Office. These decisions will be made directly by those involved in the child's care and support who hold access to relevant information, reducing the time delay involved when decision-makers need to contact, request and wait for information from other parties. The magnitude of this impact is unknown and will vary by local authority.

Improved quality of National Referral Mechanism decisions

324. In panels consisting of those involved in the child's care and support, decisions are made by those with greater understanding of the child, their circumstances, and local context. Relevant evidence can be shared and discussed in real time as decisions are made, resulting in more considered decisions with greater evidence backing.

Increased awareness of/and multi-agency approach to modern slavery and the National Referral Mechanism

325. Devolution of NRM decision-making encourages greater multi-agency working on modern slavery at a localised level. It is possible that this will improve relations between agencies, allowing for better communication and sharing of required information resulting in a better, potentially swifter overall approach to modern slavery and the NRM. Increased awareness of and greater information sharing regarding NRM cases, may lead to greater understanding of modern slavery, detection of further cases, and improve outcomes for victims.

Reduction in Home Office costs

326. Rolling out decision-making for children will remove a large number of NRM cases from the Home Office (around 6,000 in the year to September 2025⁴⁷). This could allow for resources to be reallocated to the remaining cases, improving the speed of decision for those outside of the scope of devolved decision-making (that is, adults), and removing the need to recruit further staff as system intake continues to rise.

Measure 20: National Referral Mechanism reform to withdraw support for victims

Better cohesion between support systems

327. If an individual doesn't comply with other state support services such as asylum support or welfare benefits, and have their support sanctioned or withdrawn, they won't subsequently be provided with equivalent modern slavery support. This uniform approach may increase compliance across state services as individuals would know they can't ignore requirements and receive support elsewhere.

Reduction in Home Office costs

328. It will reduce spend on modern slavery support where it would otherwise be provided in place of equivalent support removed by wider support services. However, the extent of this impact is all dependent on how many modern slavery victims fail to comply with relevant wider state services which is unknown.

Pillar 5: Measures to strengthen the UK's Asylum and Immigration System

⁴⁷ Annex: Devolving child decision-making pilot programme statistics, October 2024 to September 2025 - GOV.UK: <https://www.gov.uk/government/statistics/modern-slavery-nrm-and-dtn-statistics-july-to-september-2025/annex-devolving-child-decision-making-pilot-programme-statistics-october-2024-to-september-2025>

Measure 21: Core Protection: Single Concept of Protection

Reduced decision-making time

329. The introduction of a single definition of protection is expected to reduce the time associated with decision making for caseworkers as currently a grant of humanitarian protection requires two decisions due to the decision cascade: asylum refusal and Humanitarian Protection grant. This measure will consolidate the decision-making process into one decision, which caseworkers will be familiar with.
330. These efficiency gains are expected to increase overall caseworker productivity as for every counterfactual humanitarian protection grant, time will be saved in making a single decision only (assumed to be the current time difference between a humanitarian protection grant and an asylum grant). It is assumed that saved caseworker time will be used to complete more decisions, the number of additional decisions that could be made as a result, based on internal operational data, are presented below.

Table 8: Total Productivity Benefits (Number of Additional Decisions by Decision Type)

Decision type	Total Additional Decisions per year			Total Additional Decisions over appraisal period		
	Low	Central	High	Low	Central	High
Asylum Grant	1,500	1,000	1,000	15,000	10,000	9,900
Refused with Right of Appeal	300	300	400	3,300	3,200	3,800
Certified Refusal	400	300	400	3,500	3,200	3,600

Source: Home Office Internal Calculations

Reduced onward appeals

331. Introducing a single definition of protection will end the ability for individuals to appeal being granted humanitarian protection as opposed to refugee status. This impact has not been monetised because the appeal rate and success rate of appeals due to being granted humanitarian protection is uncertain. Removing the possibility for this appeal will save time and resources for both the Home Office and HMCTS, as well as prevent illegal migrants facing additional time in the system awaiting a final decision.

Reduced complexity in bringing in Core Protection

332. The measures included in this Bill will help the long-term implementation of the Core Protection model when fully introduced. Whilst this Bill does not introduce Core Protection in full, the measures included here will remove any inconsistencies between the current system and the intended Core Protection system.

Measure 22: Core Protection: Refugee Convention Interpretation Clause - of 'Lawfully Staying'

333. There are no expected benefits of this measure beyond the reduced complexity in bringing in Core Protection as mentioned above.

NPSV, Business Net Present Value (BNPV), EANDCB

334. The tables below display a NPSV, BNPV and EANDCB comprising the costs and benefits of implementation of relevant measures.

Table 9 shows the NPSV of each Pillar.

Table 9: NPSV (£ millions, 2027/28 prices)

	Low	Central	High
Pillar 1 Total	-	-	-
Pillar 2 Total	-	-	-
Pillar 3 Total	-327.7	-46.0	235.7
Pillar 4 Total	-1.4	-4.4	-9.2
Pillar 5 Total	-0.1	-0.1	-0.1
Total	-329.1	-50.5	226.4

Source: Home Office Internal Calculations

Pillar 3: Article 8 of the European Convention on Human Rights reform

335. The NPSV for Article 8 reform is estimated to be between -£327.7 million in the low scenario and £235.7 million in the high scenario, with a central estimate of -£46.0 million (2027/28 prices, PV). The wide NPSV highlights uncertainty around the impact of the policy changes. There are potentially significant benefits that have not been monetised or captured within the 10-year appraisal period. These include benefits such as deterrence and fiscal costs avoided that occur outside of the appraisal period, which are expected to have a material impact. Full details provided in the non-monetised benefits section.

336. Table 10 shows the BNPV of each Pillar. Business costs incurred are those contained within the Prevention of Modern Slavery (transparency in supply chains) measure in Pillar 4 only.

Table 10: BNPV (£ millions, 2027/28 prices)

	Low	Central	High
Pillar 1 Total	-	-	-
Pillar 2 Total	-	-	-
Pillar 3 Total	-	-	-
Pillar 4 Total	-1.3	-2.1	-3.9
Pillar 5 Total	-	-	-
Total	-1.3	-2.1	-3.9

Source: Home Office Internal Calculations

337. Table 11 shows the EANDCB of each Pillar. As above, business costs incurred are those contained within the Prevention of Modern Slavery (transparency in supply chains) measure in Pillar 4 only.

Table 11: EANDCB (£ millions, 2027/28 prices)

	Low	Central	High
Pillar 1 Total	-	-	-
Pillar 2 Total	-	-	-
Pillar 3 Total	-	-	-

Pillar 4 Total	0.2	0.2	0.5
Pillar 5 Total	-	-	-
Total	0.2	0.2	0.5

Source: Home Office Internal Calculations

D. Costs and benefits to business calculations

338. Most measures are not expected to have business impacts, however measures within this Bill that do are discussed below.

Pillar 3: Article 8 of the European Convention on Human Rights reform

Measure 11: Public Interest Test

339. The only impact on business is the expected cost to private sector legal firms who have to familiarise themselves with updated legislation. This has not been monetised as the familiarisation time for the legal sector is unknown, though the familiarisation requirement on the legal sector as a result of this Bill is predominantly amendments to the Nationality, Immigration and Asylum Act 2002 which they will already understand.

340. The policy will have necessary one-off familiarisation costs that will occur cross the legal sector, making it have a small impact on small and medium sized businesses.

Pillar 4: Modern Slavery

Measure 16: Prevention of Modern Slavery (transparency in supply chains)

341. The monetised cost to business is the cost of administration related to familiarisation and uploading of documents onto a central registry in relation to modern slavery transparency and prevention.

342. These changes will give rise to one-off familiarisation costs and low ongoing costs associated with uploading statements to the registry and potential payment of civil penalties for non-compliance (this cost is not monetised as it is deemed to be a transfer).

343. The policy will only impact businesses with a turnover of £36 million or more, making it unlikely to have limited impact on small and medium sized businesses.

344. The Business Net Present Value (BNPV) is between -£1.3 million in the low scenario and -£3.9 million in the high scenario, with a central estimate of -£2.1 million (2027/2028 prices, PV).

Table 12: BNPV and EANDCB (£ millions, 2027/28 Prices, PV)

	Low	Central	High
BNPV	-1.3	-2.1	-3.9
EANDCB	0.2	0.2	0.5

Source: Home Office Internal Calculations

E. Costs and benefits to households' calculations

345. Most measures are not expected to have impacts on households, however measures within this Bill that do are discussed below.

Pillar 3: Article 8 of the European Convention on Human Rights reform

Measure 11: Public Interest Test

346. There are no monetised costs or benefits associated with these measures for households. However, households may be negatively impacted if the reforms lead to a reduction in the grant rate of Article 8 claims. There may be a negative impact on individuals and households that are prevented from sponsoring the settlement of a family member in the UK. It is not possible to accurately quantify the impact of this, but it could be significant.

F. Business environment

347. No measures included in the Bill are expected to have impacts on the business environment.

G. Trade implications

348. No measures included in the Bill are expected to have an impact on trade.

H. Environment: natural capital impact and decarbonisation

349. No measures included in the IA are expected to have an impact on natural capital and decarbonisation. Should additional amendments or changes in legislation be added a future stage, the Home Office will re-assess the environmental implications of these.

I. Other wider impacts

350. An Equalities Impact Assessment has been carried out in addition to this impact assessment.

J. Risks, assumptions, and unintended consequences

351. Risks and uncertainties are identified and tested in the appropriate section of the Impact Assessment. At time of writing the implementation plans for the Bill are under development and specific details not yet available.

Proportionality

352. Every effort has been made to ensure the analysis in this impact assessment presents the best possible estimate of the likely impact of the options, given the time, resource and data available. These have been quantified where data is available, with risks highlighted below.

Risks

Pillar 1: Appeals reform

Risk of litigation

353. Changes to the appeals system resulting from the transition from the FTT to the IIAA may create uncertainty around how case outcomes differ between the two systems. As a result, there is a risk that unsuccessful appellants may challenge decisions through

the Upper Tribunal or by way of judicial review, leading to additional costs compared to the First Tier Tribunal.

Recruitment and attrition

354. The set up of the IAA will require the recruitment and/or redeployment of an executive board, adjudicators, and supporting staff. This represents a significant operational undertaking and is expected to incur substantial recruitment and onboarding costs.
355. Recruiting adjudicators at sufficient pace to prevent the build-up of a backlog in the IAA would be challenging and may not be achievable, increasing the likelihood of operational pressure and higher-than-expected costs.
356. In addition, transitioning decision-making from judges to adjudicators may result in higher staff turnover if adjudicator roles are used as entry-level positions for career progression. This could lead to increased attrition relative to sector norms, creating additional pressures on recruitment, training capacity, and associated costs.

First Tier Tribunal productivity in transition phase

357. The FTT is expected to wind down as the IAA ramps up, with judges and supporting staff expected to be progressively removed and/or redeployed.
358. There is a significant risk that equivalent sitting days, and productivity levels, are not maintained during the later stages of the ramp-down period. If realised, this would delay full ramp-down, resulting in extended operating periods and higher costs than expected.

Delays to de-prioritised cohorts

359. The IAA is expected to prioritise certain case types. Cases that do not meet the criteria for prioritisation may experience longer wait times than if no prioritisation were applied as the FTT winds down.
360. Prolonged uncertainty may negatively affect the wellbeing of unsupported individuals, who may face welfare-related challenges due to being unable to settle or work in the UK during the appeal process. Longer wait periods without the right to work and integrate may also make future integration more difficult if appeals are ultimately granted.

Pillar 2: Recovering asylum support costs

Labour market and behavioural responses

361. The policy may weaken incentives to enter or remain in formal employment where individuals expect recovery of support costs, potentially leading to reduced labour market participation for refugees. Some individuals may seek to minimise reported incomes, including through informal work, to avoid repayment.
362. Depending on relative incentives to work, the policy may contribute to a welfare trap, where moving into work or increasing earnings results in only limited gains in disposable income once repayments are considered. To mitigate these risks, any mechanism to recoup costs will be designed to preserve clear financial incentives to work, for example by setting thresholds and repayment rates at levels that ensure work and progression remain meaningfully rewarding. The design of the mechanism to

recoup costs is under development in parallel. The possible scale of these behavioural effects will be assessed in due course.

Risks of financial hardship and homelessness

363. There is a risk that, if repayments materially reduce disposable income, some individuals could experience financial hardship or destitution. This may increase demand for homelessness services and rough sleeping support, creating additional cost pressures for local authorities. Thresholds and repayment rates will be designed to minimise this risk and ensure individuals retain sufficient income to meet basic living needs. Given that the design of the recoupment mechanism has not yet been developed, it is not possible to assess the scale of this risk at this stage.
364. Similarly, asylum seekers, upon making their claim, may seek to find alternative forms of accommodation to avoid having to pay contributions in the future. This could present both a benefit to the government if people are genuinely able to find alternative accommodation but also a cost if it risks people falling into destitution, homelessness or illegal working. This could place unintended burdens on local authorities; however, it is not possible to assess this risk at this stage. Home Office officials will continue to work closely with relevant departments across UK and Devolved Governments in developing and implementing the mechanism to recoup costs to identify and address potential burdens.

Pillar 3: Article 8 of the European Convention on Human Rights reform

Measure 11: Public Interest Test

Low and High scenarios in the NPSV:

365. The high and low NPSV estimates have been calculated by applying a proportional range of +/-25% to the central fiscal revenues and pressures, as these estimates have a largest impact on the overall NPSV. Reduction of fiscal revenues and pressures by 25% results in the lower scenario, and an increase in fiscal revenues and pressures by 25% results in the higher scenario.

Appraisal period

366. The 10-year appraisal period provides only a partial picture of the fiscal impact of the Article 8 cohort. A significant proportion of the fiscal contributions from this cohort occur during the first 10 years, while migrants are working and paying visa fees and IHS payments. Over time, fiscal contributions are expected to decline as migrants settle and age, while costs associated with healthcare, pensions and wider public services tend to arise later in life.
367. A full assessment of the fiscal impact would require a lifetime appraisal. However, this has not been undertaken due to significant behavioural uncertainty around the appropriate counterfactual, particularly what happens to individuals who are refused Article 8 claims. Home Office analysis suggests that around 55 per cent of refused applicants may remain in the UK without legal status, and there is limited evidence on the long-term fiscal outcomes of this cohort, including their future employment, service use and compliance behaviour. There is also uncertainty if this proportion will continue at this level; the policy reform itself may lead to a change in behaviour.

Impact of migrants that may remain within the UK

368. It has been estimated that 55 per cent of those who are denied Article 8 claims may not leave the UK, based on those refused a Family and Private life visa in 2022. The analysis has been unable to monetise the impacts associated with individuals who are in-country and refused an Article 8 claim but remain in the UK without legal status. Individuals remaining in the UK without legal status are expected to continue to exert some fiscal pressures, such as access to the NHS and wider public goods, alongside forgone tax revenues. However, there may also be some offsetting reductions in fiscal pressures, as these individuals would not be eligible to claim benefits. This impact has not been monetised due to significant uncertainty regarding the net fiscal impact of these migrants remaining in the UK.

Subjectivity of Article 8 tests

369. Article 8 Public Interest Tests have a degree of subjectivity, so it is not possible to determine with certainty how these changes will operate once enacted. The new legislation will be applied by Home Office caseworkers and immigration judges, with decision-makers continuing to use their judgement on a case-by-case basis when assessing Article 8 claims.

370. As a result, the impact of the policy will be determined by how the primary legislation and immigration rules will be interpreted by and implemented by caseworkers and judges. This introduces uncertainty into the analysis, as the legislation may not be interpreted as the Home Office intends and the estimated reduction in the Article 8 grant rate presented in this assessment may be under or overstated

Behavioural assumptions

371. Overall impacts are based on assumptions about how migrants may respond to the reforms, drawing on observed behaviour from a sample of past cases. Actual impacts may differ if higher refusal rates change migrant behaviour. For example, if the reforms deter future applicants, this could reduce the overall costs of the policy, particularly if fewer migrants remain in the UK illegally or incur associated removal costs. The appeal reforms may also affect the likelihood of migrants making Article 8 claims, or their decision to appeal following a refusal.

Pillar 4: Modern Slavery

Measure 13: Modern Slavery identification model

Credibility:

372. The credibility measure appraisal is based on the following assumptions:

- Statutory footing will improve legal certainty and consistency.
- Clear rules will reduce litigation and increase decision-maker confidence.
- Stricter credibility thresholds will deter late or unmeritorious referrals.
- Individuals can reasonably provide timely and coherent accounts.

373. The credibility measure appraisal gives rise to the following risks and unintended consequences:

- Over reliance on credibility may lead to poorer-quality decisions.

- Legal challenge may persist, shifting to other issues

Curtailment:

374. The curtailment measure appraisal is based on the following assumptions:

- Negative CG decisions can be made accurately and quickly within 30 days without reducing decision quality.
- The required evidence can be gathered within a 30-day period to enable a negative CG decision to be issued.
- Early exit from support does not materially harm genuine victims or impede recovery/cooperation.
- Process changes will not increase downstream costs (appeals, re-referrals, safeguarding).
- Early decisions will improve efficiency and act as a deterrent to misuse.

375. The curtailment measure appraisal gives rise to the following risks and unintended consequences:

- Early exit may expose vulnerable individuals to re-exploitation.
- Perceived unfairness or inadequate recovery time could increase litigation/judicial reviews.
- Downstream cost related to a potential increase in JRs
- Potential victim disengagement from the NRM due to reduced guaranteed support period.
- Incentives to make a decision quickly may impact decision quality.

Disqualification and Bad Faith

376. The disqualification measure appraisal is based on the following assumption:

- Criteria for disqualification and bad faith is simple to implement and understood by decision makers.

377. The curtailment measure appraisal gives rise to the following risks and unintended consequences:

- Increased legal challenges from individuals thinking they had been disqualified unfairly.
- Increased risk of re-exploitation and destitution for those disqualified.

Measure 15: Support (children) Independent Child Trafficking Guardians

378. The Support (children) ICTGs measure appraisal is based on the following assumption:

- The proposal does not materially change the current operational model of ICTG service but aligns legislation with how it already operates in practice. However, it does change the model outlined in the Modern Slavery Act 2015 legislation.
- Any changes (for example more flexibility, needs based support and clearer “due regard”) result in greater consistency, not a change in overall activity.

- Public authorities and ICTGs largely continue current behaviours, with improved clarity rather than new duties.

379. The Support (children) ICTGs measure appraisal gives rise to the following risks and unintended consequences:

- Clearer statutory wording may raise expectations of ICTG involvement beyond what is currently provided in practice.
- Moving from policy-based to statutory clarity reduces the Home Office’s ability to adjust the delivery model as easily as under the counterfactual.
- Despite clarification, “due regard” may still be applied inconsistently across areas.

Measure 16: Transparency in Supply Chains

380. The Transparency in Supply Chains measure appraisal is based on the following assumptions:

- **Businesses in scope:** Approximately 22,000 organisations, estimated to be UK businesses with annual turnover exceeding £36 million. This estimate is based on DBT FAME data for 2025/26.
- **Public bodies in scope:** The government compiled a list using the Public Bodies 2018/19 report and budget data from several UK departments and administrations⁴⁸. This produced an estimate of 1,040 bodies above the financial threshold, though this may undercount due to missing central budget data. Group reporting, particularly among NHS bodies, is expected to reduce the number of individual statements needed to around 380.
- **Uploading statements to the reporting service (GOV.UK):** Organisations will be required to familiarise themselves with the system, register, and upload their statement. Familiarisation and registration are assumed to be one-off costs; submission is an annual activity. In year one, this process is assumed to take one hour per organisation (30 minutes for familiarisation and registration, and 30 minutes for submission). In subsequent years, submission alone is assumed to take 30 minutes. These assumptions are informed by experience of the Gender Pay Gap reporting service, where 88 per cent of users reported the process as straightforward or very straightforward⁴⁹.
- **Time to prepare a modern slavery statement (public sector):** Time requirements will vary by organisation, reflecting differences in prior activity, risk exposure and internal clearance arrangements. To capture this range, a lower estimate of 15 hours and an upper estimate of 35 hours per annum have been used. These estimates are based on internal information provided by the Local Government Association in 2018/19 with two local authorities. Opportunities for collaboration and shared learning may reduce costs for some public bodies.
- **Familiarisation costs:** One-off familiarisation costs capture staff time required to read guidance and understand new requirements. For the public sector, it is

⁴⁸ Public Bodies 2018/19 report - GOV.UK: <https://www.gov.uk/government/publications/public-bodies-2018-19-report>

⁴⁹ Employers’ understanding of the gender pay gap and actions to tackle it: a research report - GOV.UK: <https://www.gov.uk/government/publications/employers-understanding-of-the-gender-pay-gap-and-actions-to-tackle-it-a-research-report-2017/employers-understanding-of-the-gender-pay-gap-and-actions-to-tackle-it-a-research-report>

assumed that half of the statutory guidance (14,140 words) must be read. Word counts are multiplied by gross hourly wages and number of entities.

- **Wage assumptions:** Public body employees are assumed to incur a cost of £16.21/hour in drafting and publishing statements. This is £15.53/hour for business employees. This data is from ASHE and updated accordingly⁵⁰.

381. The Transparency in Supply Chains measure appraisal gives rise to the following risks and unintended consequences:

- **Underestimation of costs:** Assumptions on time requirements, wage rates and staff involvement (particularly for the public sector) may not be representative, leading to underestimation of the true administrative burden.
- **Weak behavioural impact:** The policy focuses on transparency rather than mandating action, creating a risk that organisations comply with reporting requirements without making substantive changes to address modern slavery.
- **Tick-box compliance:** Organisations may produce minimal or generic statements (including repeated use of “no action taken”), reducing the intended improvements in transparency and accountability.
- **Unquantified and non-monetised costs:** Key elements are not monetised due to data limitations, creating potential gaps in the analysis.
- **Reliance on limited evidence base:** Cost assumptions (for example, Local Government Association data based on two local authorities) may not scale across the wider public sector or reflect variation across organisations.
- **Variability in organisational capacity:** Differences in size, sector and supply chain complexity may lead to uneven costs and disproportionate burdens not fully captured in central estimates.

Measure 17: STRO and STPO implementation

382. The intended effect of the set of measures is to increase the number of orders issued. However, the magnitude of impact on the number of orders is uncertain. For the purposes of the analysis, we have assumed an increase in orders of between 25 per cent and 75 per cent. The rate of orders handed out has a large impact on the quantified costs and benefits.

383. The proportion of those convicted (due to breaching an order) where the sentencing outcome is an immediate custodial sentence will impact prison places and prison associated running costs. This assumption comes from historical data on the outcomes of breach offences using the Principle Offence by Outcomes data tool from June 2025.

384. There is also uncertainty surrounding the split of offenders going through either Crown or Magistrates’ Courts, which has an impact on costs. The assumptions used in this modelling have been chosen through consultation with a range of stakeholders in the Home Office and law enforcement to partially mitigate the uncertainty around future use, however, there remains a lack of data to reinforce these assumptions.

⁵⁰ Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14 - Office for National Statistics: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/occupation4digitSOC2010ashtable14>

385. The monetised benefit of these measures assumes that an order imposed prevents all future (re-)offending in those not assumed to breach their order due to a lack of data to inform a more specific impact. This potentially overestimates the benefit of the measure.

Measure 18: Temporary Permission to Stay cohort assumptions

386. Refugee data is used as a proxy for TPS recovery Universal Credit uptake due to data gaps. This may result in an under or overestimate of the impacts on government costs and individual benefits.

387. Reduced legal challenge estimates use 2025 data; future costs may vary with referral volumes and composition.

Measure 20: National Referral Mechanism reform to withdraw support for victims

388. The NRM reform to withdraw support for victims measure appraisal is based on the following assumptions:

- All systems: Asylum, Welfare and Modern Slavery support share relevant information about individuals efficiently to enable withdrawal of support.
- Non-compliance is identified and acted upon across all systems.

389. The Transparency in Supply Chains measure appraisal gives rise to the following risks and unintended consequences:

- The approach may lead to some individuals being at risk of re-trafficking.
- Increased legal challenges if individuals believe they have had their support withdrawn unfairly.
- Increased risk of individuals becoming homeless.

Pillar 5: Measures to strengthen the UK's Asylum and Immigration System

390. There is a risk that the costs of these measures have been under-estimated or that any reduction in appeals could lead to a subsequent increase in judicial reviews which has not been estimated. A full appraisal of the Core Protection model will be carried out when introduced via secondary legislation.

Annex

To include any other relevant information (for example, consultation response, large data tables, detailed methodology or technical notes, specific impact tests especially SaMBA and Family Impact Test – ensure policy colleagues have an Equality Statement (strongly encourage publication of this – note **the summary findings paragraph in the IA is mandatory**) and/or Justice Impact Test and/or New Burdens Assessment and/or Primary Authority, if these are required.

Mandatory specific impact test - Statutory Equalities Duties	Complete
<p>Statutory Equalities Duties</p> <p>The public sector equality duty requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations in the course of developing policies and delivering services. This consideration has been made in development of the measures in the Bill, and an Equalities Impact Assessment has been produced for this Bill.</p> <p>The only direct discrimination that has been identified relates to ensuring proportionate differential application for children. Some indirect impacts on the basis of protected characteristics have been identified. These impacts, and any available mitigations, are set out in the EIA. The potential impacts identified are considered to be justified as proportionate to legitimate aims of the measures, including establishing a firm but fair immigration system, bringing into effect the main reforms in the Restoring Order and Control statement presented to Parliament by the Secretary of State for the Home Department on 17 November 2025.</p> <p>The SRO has agreed these summary findings.</p>	<p>Yes</p>

A.1 Measure specific methodologies and assumptions

Pillar 3: Article 8 of the European Convention on Human Rights reform

Measure 11: Public Interest Test

Methodology overview

1. The policy reforms are expected to affect the grant rate for Article 8 applications. However, there is uncertainty around how the proposed legislation will be applied in practice and how strongly particular applicant characteristics will correlate with future refusal decisions. The analysis therefore uses the observed characteristics of the current Article 8 cohort, alongside assumptions about how the proposed legislation may interact with these characteristics, to infer how future grant rates could be affected. These characteristics are used as proxies and may not fully reflect future decision making under the reforms.
2. In particular, the analysis considers the following four conditions in determining whether an application may be more likely to be refused:
 - If the applicant is an overstayer or illegal entrant.
 - If the applicant fails the suitability test (crime/debt/other).
 - If the applicant is more likely to have a negative fiscal impact on the UK (unemployed/failed adequate maintenance/failed English language requirements).
 - If the applicant has no British child.

Estimating the policy impact: reduction in grant rate

3. The analysis seeks to estimate how the proposed legislation may affect future grant rates for Article 8 applications by applying assumptions about how different applicant characteristics may influence grant decisions under the proposed reforms.
4. These four criteria were modelled both individually and in combination. Each combination of conditions, of the 16 possible combinations of cohorts, were assigned a weight reflecting its estimated impact on the likelihood of a grant, relative to the current system. Greater weight is given to combinations where multiple risk factors are present.
5. For each cohort, an assumed reduction in the likelihood of grant is applied. These reductions are then weighted by the number of applicants in each cohort.
6. The overall impact of the policy is calculated as the weighted average reduction in grants across all cohorts.
7. The percentage of those who may be affected by this legislation is estimated by using characteristics from a representative caseworker sample from 2022⁵¹.
8. A lower, central and upper bound was applied to the potential impacts on the grant rate of in-country Article 8 applications based on estimated impact on the likelihood of a grant. The policy impact is then expected to reduce the number of initial grants for in-

⁵¹ Annex A3: Cohort analysis of grants made on the basis of Article 8

country Article 8 applications by between **25 per cent and 43 per cent**, based on previous grant volumes, with a **central impact of 34 per cent**. The NPSV uses the central impact of 34 per cent fewer grants at initial application. A similar process is applied for the out-of-country Article 8 applications, although these as much lower in number.

Caseworker sample

9. Characteristics have been evidenced from a representative cohort of 3,252 applications spanning a wide range of human rights-based application types with nearly all initial decisions made between 2021 and 2022.⁵²
10. Characteristics based on this sample are assumed to continue to represent all future characteristics of migrants throughout the 10-year appraisal period. Despite limitations, the sampling exercise represents the best evidence for investigating the characteristics of applications on Article 8 routes and provides valuable insights for modelling the potential effects of any policy changes.

Volumes

11. This analysis uses Home Office published statistics for the number of in-country family/private life visa grants and refusals as a proxy for total Article 8 applications, grants and refusals as Article 8 makes up a large majority of the 10-year family/private life claims.
 - **Applications:** Application volumes from January to December 2025⁵³ (in-country and out-of-country) are assumed to remain constant throughout the 10-year appraisal period. The caseworker sample data is then used to estimate the proportion of first-time applicants (**55 per cent**), creating a baseline of **49,800** Article 8 visa applications and **42,700** grants.
 - **Initial refusals:** Following Article 8 reforms, it is estimated that the annual volume of Article 8 initial refusals will increase by **14,000**, based on the central estimate of the grant rate reducing by **34 per cent**. It has been assumed that the reduction in annual grant volumes will be constant over the appraisal period.
 - **Appeals:** The Home Office caseworker sample has been used to estimate that 30 per cent of in-country refusals will lead to an appeal. By combining these proportions to the estimated number of refusals leads to the estimated additional **4,300 appeals** per year. Appeal rates have been kept constant in both the baseline and throughout the 10-year appraisal period, due to uncertainty of how these may change over time.
 - **Final refusals:** Following from appeal, a proportion of those visas that were initially refused will be overturned. The Home Office caseworker sample has been used to estimate that 54 per cent of in-country refusals will be overturned. This leads to an estimated **11,700** additional refusals due to the impact of the Article 8 policy reforms per year (post appeals).
 - **Reapplications and Settlement:** The family/private life visas grant leave (duration of stay) in the UK for 30 months, applicants may need to reapply for an

⁵² Annex A3: Cohort analysis of grants made on the basis of Article 8

⁵³ How many people continue their stay in the UK or apply to stay permanently? - GOV.UK:

<https://assets.publishing.service.gov.uk/media/6995917bfdab2546272bf03/extensions-datasets-dec-2025.xlsx>

extension to remain in the UK, until accumulating enough leave to apply for settlement. The model assumes that 100 per cent of those granted on family/private life routes will remain on the route until they apply for settlement. It is therefore expected that there will be **11,700** fewer annual reapplications (from 30 months after the policy is implemented), due to increased refusals as outlined above. It is also assumed there would be 11,700 fewer settlement applications, for the same reason.

- **Main/Dependants:** Home Office published statistics for the number of in-country family/private life visa grants shows that 81 per cent are main applicants and 19 per cent are dependants. This proportion is used to estimate different revenues and pressures (detailed in the following two sections).

12. A similar process is carried out for estimating out-of-country Article 8 applications, using Home Office internal management information, however application numbers are much lower compared to in-country.

Table 13: Volume estimates assumptions

Type	Description	Value	Source
Assumption	Family and private life in-country visa grants used as a proxy for Article 8 grants	76,500 granted family/private life in-country visas in January to December 2025	Home Office published datasets (extensions)
Assumption	First time applicants: Family and private life in-country visa grants	55% of historic in-country Article 8 grants are first time applicants. This equates to 42,200 first time in-country grants	Caseworker sample – Home Office internal data/analysis
Assumption	Family and private life visa out-of-country grants used as a proxy for Article 8 grants	500 granted family/private life out-of-country visas granted in January to December 2025	Home Office internal data/analysis
Assumption	Baseline: Article 8 grants (in and out-of-country)	Baseline: 42,700 Article 8 grants from first-time applicants (pre policy reform)	Home Office internal data/analysis
Assumption	Grant rate (first-time applicants)	Initial grant rate (prior to appeal) 83% Overall grant rate (post appeal) 86%	Home Office internal data/analysis

Assumption	Baseline: Article 8 applications (in and out-of-country, for first time applicants)	Baseline: 49,200 Article 8 in-country applications (first time applicants). 600 out-of-country applications 49,800 total applications	Home Office internal data/analysis
Assumption	The percentage of applicants that appeal a refused outcome is held constant at 2025 levels.	<u>In-country</u> 30% <u>Out-of-country</u> 79%	Caseworker sample, Home Office internal data/analysis
Assumption	The percentage of applicants that are granted at appeal is held constant at 2025 levels.	<u>In-country</u> 54% <u>Out-of-country</u> 93%	Caseworker sample, Home Office internal data/analysis
Assumption	Cost and benefits are relative to the pre-reform grant volumes.	<u>Pre-appeals grant volume change:</u> 14,000 <u>Post appeals grant volume change:</u> 11,700	Home Office internal data/analysis
Assumption	Reapplication assumptions	Family/private life visas are renewed once, 30 months after being initially granted.	Home Office internal data/analysis
Assumption	Reapplication assumptions	100% grant rate at reapplication in future	Caseworker sample, Home Office internal data/analysis
Assumption	Proportion of main applicants to dependant applicants remains constant at the 2025 level	Breakdown only available for in-country applicants <u>Main applicants</u> 81% (34,400 grants) <u>Dependants</u> 19% (7,800 grants)	Grants and refusals of extensions to stay in the UK

Monetised Costs and benefits

Costs

Appeal costs

13. Following the Article 8 reforms, it is estimated that there will be an additional 14,000 initial refusals on the family/private life visa per year. The proportion of applicants that appeal an initial refusal is assumed to remain at 30 per cent for in-country and 79 per cent for out-of-country applicants over the appraisal period. The total increase in volume of annual appeals is estimated to be between 3,100 and 5,400, with a central estimate of **4,300**. Appeal costs are uplifted to 2027/28 prices and assumed to remain constant. Over the 10-year appraisal period the impact due to additional appeals is estimated to be **-£80.8 million**.

Table 14: Appeal cost unit values

Type	Description	Value	Source
Unit Values	Cost of an appeal (2024/25 prices)	-£2,605	Home Office MI

Removal and asylum costs

14. The Article 8 policy reforms are estimated to increase final refusals on the family/private life route by 11,700 per year. This leads to a higher number of expected returns by Home Office Immigration Enforcement and a small increase in asylum claims, assuming current behaviour of migrants refused on this route continuing. The volume estimates are applied to the unit cost for removal or asylum claim. Estimated removal and asylum unit costs may vary due to the type of removal (enforced or voluntary), staff time required to process and arrange returns, detention costs, escorting, flight costs and voluntary returns payments. Removal and asylum costs are uplifted to 2027/2028 prices and are assumed to remain constant over the appraisal period. The proportion of refused applicants that are removed by Immigration Enforcement (voluntary and enforced) are assumed to remain constant over the appraisal period.
15. Annually, the total increase in volume of Article 8 applicants who are removed from the UK or claim asylum following their application outcome is estimated to be 3,600. The total additional impact of the proportion of applicants who are refused and then are subsequently removed from the UK or claim asylum is estimated to be **£272.4 million**.

Table 15: Removal and asylum cost unit values and assumptions

Type	Description	Value	Source
Unit Values	Cost of a removal (2024/25 prices)	-£6,563	Average cost of an Immigration Enforcement return FY 2024 to 2025 ⁵⁴

⁵⁴ Average cost of an Immigration Enforcement return FY 2024 to 2025
<https://www.gov.uk/government/publications/average-cost-of-an-immigration-enforcement-return-fy-2024-to-2025/average-cost-of-an-immigration-enforcement-return-fy-2024-to-2025>

Unit Values	Cost of an asylum claim (2026/27 prices)	-£18,700	Home Office internal data/analysis ⁵⁵
Assumption	Proportion of in-country refused applicants that are removed or claim asylum	31% of refusals are removed or claim asylum in 2025. This proportion remains constant throughout the appraisal period.	Caseworker sample- Home Office internal data/analysis
Assumption	Proportion of removals which are enforced or voluntary	<u>Enforced</u> 95% <u>Voluntary</u> 5%	Home Office internal data/analysis
Assumption	Proportion of refused applicants are assumed to in leave the UK without Immigration Enforcement involvement	14%	Home Office internal data/analysis
Assumption	Proportion of refused applicants that remain in the UK after being denied Article 8	55%	Home Office internal data/analysis

Visa fees

16. Visa fees and Immigration Health Surcharges (IHS) are charges made to individuals intending to come or remain in the UK. There are exceptions, and under certain circumstances applicants can be granted a fee waiver.

- **Visa fees:** these are paid by migrants at time of application and fees vary depending on if they are in-country/out-of-country, or by main applicant/dependant. Visa fees they are assumed to remain at the current 2026/27 level.
- **Immigration Health Surge Charge (IHS):** this is a direct contribution to the NHS paid by migrants (both main applicants and dependants) who make an immigration application to come to the UK for more than six months or who apply to extend their stay in the UK. The amount is dependent on the length of visa. For those on the family/private life route, the yearly cost is £1,035 for adults, and £776 per year for immigration applicants who are aged 17 years and younger at time of application (and are assumed to remain at this level over the appraisal period).

⁵⁵ Analysis is based on all asylum claims from July 2024 to June 2025. The figure includes support and accommodation, processing and appeals costs, and captures the time to initial decision, appeals and move-on. Costs are estimated on a per claim basis, with support costs weighted across all accommodation types, and are adjusted for the proportion of claims that are likely to require support as well as go on to appeal.

The average length of a family/private life visa is 30 months. 30-month fees for adults and applicants aged 17 years and younger are £2,587.50 and £1,940 respectively⁵⁶.

17. Visa fees and IHS revenue is also affected by the proportion of applicants eligible for a fee waiver. The Home Office caseworker sample is used to evidence that 29 per cent of first-time applicants applying under Article 8 are granted a fee waiver.
18. It is estimated that total fee income will be reduced by **£529.4 million**, from reduced IHS and visa fees over the 10-year appraisal period. This includes income from fees at extension and settlement.

Table 16: Fee income unit values and assumptions

Type	Description	Value	Source
Unit value	Visa fees (26/27 prices)	<u>In-country</u> £1,407 <u>Out-of-country</u> £2,064	2026 visa fees transparency data for all applications made from outside and within the UK ⁵⁷
Unit value	IHS fees (26/27 prices)	<u>Main applicant</u> £2,587.50 <u>Dependant</u> £1,940	Pay for UK healthcare as part of your immigration application ⁵⁸
Assumption	Fee waiver eligibility	29% of applicants receive a fee waiver	Home Office internal data/analysis

Tax Revenue lost

19. Fiscal revenues include income tax, national insurance (employee, self-employed, and employer), council tax, indirect taxes, corporation tax, business rates, other taxes, and gross operating surplus.
20. Revenues are modelled under two sets of employment assumptions:
 - First-time applicants (main applicants and dependants) have a 23 per cent employment rate. This employment rate is derived from the Home Office caseworker sample exercise.
 - Main applicants of working age are expected to reach an employment rate of 59 per cent and dependants are expected to have an employment rate of 66 per cent, once they have been granted a family/private life visa. This assumption is derived from by matching Home Office family/private life visa data with HMRC earnings data.
21. Employment rates are assumed to progress linearly over a five-year period. Expected initial fiscal revenues of an individual start with an employment rate of 23 per cent

⁵⁶ Pay for UK healthcare as part of your immigration application: Overview - GOV.UK: <https://www.gov.uk/healthcare-immigration-application>

⁵⁷ Visa fees transparency data 2026 - GOV.UK: <https://www.gov.uk/government/publications/visa-fees-transparency-data>

⁵⁸ Immigration Health Surcharge fees - <https://www.gov.uk/healthcare-immigration-application/how-much-pay>

increase when migrant first applies for a family/private life visa, which increase to 59 per cent employment for main applicants and a dependant at 66 per cent employment (working age) after five years.

22. The tax revenue lost central estimate of -£1,500 is an income which would have been received under the baseline scenario. Refused applicants cannot legally work in the UK, and therefore not able to contribute to income taxes. The total discounted value of the loss in income revenue following Article 8 reforms is expected to be between -£1,374 million and -£824 million, with a central estimate of -£1,100 million.

Table 17: Tax revenue lost unit values and assumptions

Type	Description	Value	Source
Unit value	Fiscal revenue lost per quarter	Low: -£1,200 Central: -£1,500 High: -£1,800	Home Office MI
Assumption	Assumed employment rate for the Article 8 cohort	Low: 23% Central: 23% to 59% (41%) High: 59%	Caseworker sample - Home Office internal data/analysis

Benefits

Fiscal pressure avoided

23. Pressures include spending on health, education, personal social services, welfare, wider public services, and public goods (core congestible, non-core congestible, and pure public goods).
24. Pressures are modelled under identical employment assumptions as fiscal revenues, as stated above.
25. The fiscal pressure central estimate of £2,400 is a cost which would have been incurred under the baseline scenario. Following the Article 8 policy reform, those that are refused a visa and leave the UK will no longer attribute to the UK fiscal pressures. The total discounted value of the benefit in fiscal pressures avoided following Article 8 reforms is between £2,341 million and £1,405 million, with a central estimate of £1,873 million.

Table 18: Fiscal pressures avoided unit values and assumptions

Type	Description	Value	Source
Unit value	Fiscal pressures avoided per quarter	Low: -£2,600 Central: -£2,400 High: -£2,300	Home Office internal data/analysis

Assumption	Assumed employment rate for the Article 8 cohort	Low: 23% Central: 23% to 59% (41%) High: 59%	Caseworker sample- Home Office internal data/analysis
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Reduction in public sector costs

26. A reduction in the number of those who are granted Article 8, will lead to a reduction in subsequent visa extensions after 30 months, and then subsequent settlement applications. This will provide an additional cost saving to the Home Office, as there will no longer be a need to process these applications. The unit cost to process visa and IHS applications is applied to these volume estimates. Current administration and processing costs to the public sector are assumed to remain constant over the appraisal period, uplifted to 27/28 prices. The estimated benefit from reduced public sector costs is estimated to be **£59.9 million**.

Table 19: Reduced public sector administration costs

Type	Description	Value	Source
Unit Values	Cost to Home Office to process applications (2026/27 prices)	<u>In-country</u> -£426 <u>Out-of-country</u> -£482 <u>Settlement</u> -£523	2026 visa fees transparency data for all applications made from outside and within the UK ⁵⁹ .
Unit Values	IHS admin cost (2026/27 prices)	<u>In-country</u> -£54 <u>Out-of- country</u> -£21	Internal Home Office data/analysis

Appeal fees

27. It has been assumed that 50 per cent of appeals require a hearing and 50 per cent of appeals do not require a hearing. These proportions are then applied to appeal fees in the table above. A weighted average appeal fee is calculated of £110 by applying the weighted average appeal fee to the volume of additional appeals. The total expected additional revenue generated through additional appeals is estimated to be **£3.3 million**.

Table 20: New appeal fees unit values and assumptions

Type	Description	Value	Source
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⁵⁹ Visa fees transparency data 2026 - GOV.UK: <https://www.gov.uk/government/publications/visa-fees-transparency-data>

Unit value	Fee to appeal an Article 8 refusal (26/27 prices)	<u>With a hearing</u> £140 <u>Without a hearing</u> £80	Visa or immigration appeal fee ⁶⁰
Assumption	Proportion of appeals requiring a hearing	<u>Appeals which require a hearing</u> 50% <u>Appeals which do not require a hearing</u> 50%	Home Office internal data/analysis

Central Net Present Social Value (NPSV)

28. The estimated costs and benefits associated with the policy over the 10-year appraisal period are then combined to estimate the total NPSV.
29. The policy generates a positive net fiscal impact directly from migrants that are refused a visa and leave the UK; with the reduction in future public service pressures avoided is larger than the tax revenue foregone. However, this is offset by the subsequent visa and IHS fee foregone and the additional operational costs in relation to additional appeals, removals and asylum claims.

Table 21: Summary of central NPSV 10-year appraisal period (£ millions, 2027/28 prices)

Component	Net impact
Net fiscal impact: tax revenue foregone minus reduced public sector pressure	+£773
Visa and IHS fee foregone minus administration savings	-£469
Operational costs due to additional appeals, removals and asylum claims	-£350
Net Present Social Value (central)	-£46

30. The NPSV for Article 8 reform is estimated to be between -£327.7 million in the low scenario and £235.7 million in the high scenario, with a central estimate of **-£46.0 million** (2027/28 prices, PV).

High and Low scenarios

⁶⁰ Get help to pay or reduce your visa or immigration appeal fee - GOV.UK: <https://www.gov.uk/guidance/get-help-to-pay-or-reduce-your-visa-or-immigration-appeal-fee>

31. The analysis uses low, medium and high scenarios throughout to highlight uncertainty in impact.
- Lower, central and upper bounds have been applied to the values of fiscal revenues of an Article 8 grantee. Central estimates of revenues are varied by +/- 25% to outline the uncertainty surrounding the fiscal impact of Article 8 grantees. It is expected that, when granted, an Article 8 applicant would generate between **£900** and **£1,500** in tax revenue, with a central estimate of **£1,200** generated in tax revenue. Over the appraisal period, fiscal revenues increase due to employment rate progression over time. After five years, fiscal revenues are assumed to have reached the maximum level. It is expected that at this stage, revenues will be between **£1,400** and **£2,300**, with a central estimate of **£1,800**.
 - Lower, central and upper bounds have been applied to the values of fiscal pressures of an Article 8 grantee. Central estimates of pressures are varied by +/- 25% to outline the uncertainty surrounding the fiscal impact of Article 8 grantees. It is expected that, when granted, an Article 8 applicant would incur fiscal pressures of between **-£1,900** and **-£3,200**, with a central estimate of **-£2,600** in fiscal pressures. Over the appraisal period, fiscal pressures decrease due to employment rate progression over time. After five years, fiscal pressures are assumed to have reached the minimum level. It is expected that at this stage, pressures will be between **-£1,700** and **-£2,900**, with a central estimate of **-£2,300**.

Sensitivity analysis

32. There is significant uncertainty in the estimated fiscal impact of the Article 8 cohort affected by these changes. With a lower contribution, the removal of these claimants could represent a substantial fiscal benefit. However, if their contributions are higher, their removal could instead result in a fiscal cost. This uncertainty is reflected in the NPSV range, which spans from a **negative NPSV of -£328 million to a positive NPSV of £236 million**.
33. Uncertainty around fiscal contributions is particularly important, as these are the variables to which the model is most sensitive. They are the primary drivers of the central, upper and lower NPSV estimates, and therefore represent a key source of uncertainty in the analysis.
34. There is also uncertainty around how these policy reforms will impact the grant rate, meaning there is uncertainty around the volume of claimants who will now be denied but who otherwise would have been granted. As mentioned above, the grant rate could reduce by between 25 and 43 per cent, with a central scenario of 34 per cent. This corresponds to an additional 8,600 and 14,800 denied applications, with a central scenario of 11,700. This uncertainty is independent of that in the cost of a refusal and has not been accounted for in the NPSV.
35. When these uncertainties are considered jointly—the uncertainty around the volume of claimants who could be denied, and the uncertainty around the fiscal contributions of these claimants—this results in nine possible policy impact scenarios, ranging from £299 million to -£414 million, as set out in the table below.

Table 23: NPSV range of uncertainty (£ millions, 2027/28 prices)

Volume Scenario	High cost to removals (higher fiscal contribution)	Central scenario (best fiscal contribution estimate)	Low cost to removals (lower fiscal contribution)
Low volume	£173	-£34	-£241
Central volume	£236	-£46	-£328
High volume	£299	-£57	-£414

36. These nine scenarios highlight the significant uncertainty there is around the full impact and cost of these policy reforms.

A.2 Estimated lifetime net fiscal impact of Article 8 main applicant grantees (in-country) methodology annex

37. The Home Office produced an indicative estimate of the lifetime net fiscal cost of Article 8 in-country main applicant grantees for the 2025 cohort, using the Migration Advisory Committee lifetime fiscal cost model, alongside internal and published Home Office data on Article 8 volumes.

Background

38. Article 8 of the European Convention on Human Rights protects the right to respect for private and family life. Within the immigration system, grants made on Article 8 grounds relate to individuals who are permitted to remain in the UK on the basis that refusal would constitute a disproportionate interference with their private or family life. This includes a range of routes and grant types, such as Family and Private Life applications, where individuals may not meet the requirements of the Immigration Rules but are granted leave due to exceptional circumstances.

39. The Home Office has used the Migration Advisory Committee lifetime fiscal impact model to estimate the long-term fiscal impact of a range of family migration routes. The model estimates the discounted value of taxes paid, less the cost of public services and transfers consumed over an individual's lifetime. It includes direct, indirect and capital taxes, alongside spending on health, education, welfare and wider public services. It excludes visa fee income and Immigration Health Surcharge contributions.

40. The model estimates a net lifetime fiscal impact of

- -£112,000 net cost for the average Family Partner visa grantee (out-of-country)
- -£141,000 net cost for a Family and Private Life grantee (in-country)

41. The Family and Private Life estimate is used as a proxy for the wider Article 8 cohort. This suggests that Article 8 migrants have a more negative estimated fiscal lifetime impact when compared to the Family partner route, which is generally associated with lower average fiscal contributions than other migration routes (such as Skilled worker visas) because they are not selected primarily on economic criteria.

42. These estimates cover main applicants only and do not include the fiscal impact of their dependents.

Methodology

Considerations

43. The estimated average lifetime fiscal impact for a Family and Private Life in-country grantee is applied to the 2025 volume of first-time Article 8 main applicant grantees. This produces an indicative estimate of the aggregate lifetime fiscal cost of the 2025 Article 8 main applicant cohort.

44. This Family and Private Life estimate is used as a proxy to the Article 8 cohort. Fiscal impacts differ across the cohort depending on various factors, such as their age and employment. The use of a single cohort average does not capture variation across the cohort and should be interpreted as an indicative estimate.

Fiscal impact calculations

45. This section sets out the approach used to estimate the lifetime net fiscal cost of an Article 8 main applicant.

Overall modelling structure

46. This dynamic model extends this across the lifetime of an individual migrant using discounted future values. Formally, the model calculates the present value of all future taxes and spending from arrival until death or emigration, discounted using a real discount rate aligned with HM Treasury Green Book guidance.

47. This model estimates only the direct fiscal effects of migrants through taxes and spending. It does not attempt to model wider macroeconomic or behavioural effects such as impacts on native wages, productivity, housing markets, public service quality, fertility, or long-run growth.

Data sources

48. The model combines a range of data sources to estimate lifetime fiscal impacts. These include:

- Family Resources Survey for representative income, benefits and expenditure
- Home Office visa and Certificate of Sponsorship data
- HMRC RTI payroll data matched to visa holders
- ONS population projections
- OBR spending profiles and demographic assumptions
- Migrant Journey data to estimate settlement and emigration patterns
- ASHE data to model age earnings trajectories

Revenue methodology

49. On the revenue side, the model estimates direct, indirect and wealth-related taxes over each migrant's lifetime.

50. Direct taxes, including income tax and National Insurance contributions, are calculated from observed or imputed earnings using UK tax rules. Future earnings are projected using age earnings profiles, with migrants assumed to experience similar age-related wage growth to UK workers. It also includes indirect taxes such as VAT and duties, wealth-related taxes and corporation tax.

Spending methodology

51. On the spending side, the model allocates a range of public expenditures to migrants over time.

52. This includes public goods such as defence and infrastructure, which are allocated across the population, as well as spending on health, education, welfare and pensions. Health and social care costs are assigned using age and gender profiles and rise significantly at older ages. In this model, welfare spending is assumed to begin after settlement and converge towards resident patterns. Education spending is allocated by age, and the model also includes an adjustment for public capital to reflect the cost of maintaining infrastructure per person.

Dynamic lifecycle assumptions

53. The model is dynamic and depends on long-run behavioural assumptions.
54. Earnings are assumed to follow UK age earnings curves, with growth slowing later in life. Emigration and settlement probabilities are estimated using Migrant Journey data, while mortality is based on ONS life tables. Future fiscal flows are discounted to present value using a real-discount rate of 3 per cent, alongside an assumption on long-run GDP growth of 1.5 per cent. These assumptions are central to the model and introduce uncertainty into the estimated lifetime fiscal impacts.

Findings

55. The model estimates a net lifetime fiscal impact of -£141,000 per main applicant for a Family and Private Life route (in-country) grantee, compared with -£112,000 for the Family Partner grantee.

Table 24: Home Office Lifetime Fiscal Cost Estimates and Employment assumptions

Cohort (2022/23)	Fiscal impact per main applicant	Starting Earnings	Starting Employment rate
Family and Private Life	-£141,000	£19,619	63%
Family Partner	-£112,000	£21,119	50%

56. The fiscal impact is directly related to the earnings and employment rates of the cohort.
57. This suggests the estimated fiscal profile of the Article 8 migrants has a larger negative fiscal lifetime cost when compared to the Family partner route, which is generally associated with lower average fiscal contributions than other migration routes (e.g. Skilled Worker visa holders) because they are not selected primarily on economic criteria. The fiscal impact of the cohort is less favorable over a lifetime than over the standard 10-year appraisal period because fiscal costs and contributions occur unevenly across a lifetime. Migrants are typically more economically active during their working years, while costs associated with healthcare, pensions and wider public services accrue later in life. A lifetime framework therefore captures costs and contributions that would not be fully reflected in a shorter appraisal period.

Key caveats and limitations

- These estimates are for main applicants only and exclude dependents.
- These estimates are cohort specific and calibrated to 2022/23. Estimates may vary for other cohorts.
- Family and Private Life (in-country) grants are used as a proxy for the wider Article 8 cohort, which will include some smaller Article 8 grant routes.
- Results are sensitive to assumptions on employment, earnings growth, settlement, emigration, mortality, public spending and discounting.
- The model does not account for wider macroeconomic effects.
- Some tax and spending categories require allocation assumptions, including public goods and corporation tax.

- Future welfare receipt and use of public services are uncertain and are partly modelled using assumptions about convergence toward resident patterns.
- The estimate should be interpreted as indicative and assumption sensitive, not as a precise measure of the value or cost of the cohort.

Volume calculations

58. According to internal Home Office analysis, in 2025, there were 34,400 first-time Article 8 main applicant grantees in-country.

Cohort	Volume
First-time Article 8 main applicant grantees in 2025 (in-country)	34,400

Combined impact

59. As the estimate covers a single main applicant Article 8 grantee, the aggregate impact is the volume of first-time in-country Article 8 main applicant grantees multiplied by the estimated average lifetime fiscal cost per main applicant.

Cohort	Volume	Assumed net lifetime fiscal cost
First-time Article 8 main applicant grantees in 2025 (in-country)	34,400	£4.9 billion

60. Calculations: (34,400 first-time in-country Article 8 main applicant grantees in 2025) x (£141,000 net lifetime fiscal cost) = £4.9 billion net cost

Conclusions

61. Based on the calculations above, the indicative lifetime net fiscal cost of first-time in-country Article 8 main applicant grantees in 2025 is estimated at approximately £4.9 billion.
62. This estimate relates to main applicants only. It does not include the fiscal impact of dependents associated with the cohort. It should therefore not be interpreted as the total fiscal cost of all individuals linked to Article 8 grants in 2025.
63. The estimate is subject to significant uncertainty. It relies on long term assumptions about earnings, employment, settlement, emigration, mortality, public spending and tax receipts. It also depends on allocation assumptions for public goods and taxes and does not capture wider macroeconomic or behavioural effects. Results should therefore be treated as indicative rather than precise estimates of lifetime fiscal impact.

A.3 Cohort analysis of grants made on the basis of Article 8

Overview and methods

64. This Annex presents analysis of a cohort of applications made to UK immigration routes where Article 8 of the European Convention on Human Rights (ECHR) is a consideration (with most applications being made on family or private life routes).
65. The Home Office routinely collects administrative data from applicants as part of the application process. This data includes demographic characteristics, information on applicants' circumstances (e.g. how they entered the UK), and the outcomes of decisions made by caseworkers. Analysis of this data has been undertaken to identify trends and patterns in applications and decision-making.
66. The analysis presented in this report is based on a sample of data collated by caseworker teams between August and October 2025. The dataset⁶¹ covers a representative cohort of 3,252 applications spanning a wide range of application types where Article 8 is a consideration with nearly all initial decisions made between 2021 and 2022. This date range was chosen to account for time taken from a Home Office refusal to a final appeal outcome in the Immigration Tribunals.
67. The dataset includes applications across 21 immigration routes⁶². The sample profile for the cohort is set out in Table 25 below:

Table 25: Breakdown of sample by location of application

Application location	Sample size
In-country	2,966
Out-of-country	286

Demographics

68. Overall, 45% of applications in the sample were made by females, with 55% made by males. Out-of-country applicants were more likely to be made by females (56%) than in-country applicants (44%). Out-of-country applicants were younger on average than

⁶¹ As with all administrative data, there will be a small number of cases where data is missing or has been inputted incorrectly.

⁶² The human-rights based immigration routes included in the sample were: App for further leave (DL/HP), Family/Private Life 10yr - LTR(E), Further submissions (Port), Human Rights - Article 3, Human Rights - Article 3&8 (with or without other articles), Human Rights - Article 8, Long Residency (10 Year) – LTR, Outside the Rules Comp. Grounds - LTR(E), Further submissions (in country - email), Further submissions (in country - postal), Further submissions (in country - in-person), Further Submissions (Art 8) only (in country - in person), Further Submissions (Art 8) only (in country - postal), Further Submissions (Art 8) only (in country - email), Long Residency (14 Year) – LTR, ADULT DEP RELATIVE (Non-Standard 2), Child App FM (Non-Standard 1), Child App FM (Non-Standard 2), PARENT (Non-Standard 2), PARTNER (Non-Standard 1), PARTNER (Non-Standard 2)

in-country applicants, with an average age of 22 years (compared to 38 years for in-country applicants).

Table 26: Average age of all applicants

Applicant location	Average age (all applicants)	Average age (applicants aged 18 or over)
In-country applicants	38	39
Out-of-country applicants	22	28

First-time applicant grants

69. The Impact Assessment has modelled the impacts of the legislative reforms on first-time Article 8 grants. To better understand the impact of Article 8 policy reforms, analysis was conducted on applicants who were granted permission to enter (PTE) or permission to stay (PTS) on the basis of Article 8 for the first time. As shown in Table 27 the initial grant rate for this cohort was 83%. The appeal rate for Home Office refusals was 30% and the Tribunal allowed the applicant's appeal in 54% of those cases.

Table 27: Grant rates of in-country, first-time applicants

Characteristics	Proportion
Initial grant rate	83%
Refusal appeal rate	30%
Tribunal allowed the applicant's appeal (allowed appeal rate)	54%
Final grant rate (initial grants + grants post Tribunal decision) ⁶³	86%

70. Table 28 shows the grant rate of first-time, out-of-country applicants. Out-of-country refusals saw a higher appeal rate of 79% and an allowed appeal rate of 93%.

Table 28: Allowed appeal rate of out-of-country, first-time applicants

Characteristics	Proportion
Refusal appeal rate	79%
Allowed appeal rate	93%

⁶³ Where the Tribunal allows an applicant's appeal, the Home Office will grant PTS or PTE to the applicant (unless it decides to appeal the Tribunal's decision).

71. These figures should be interpreted with caution due to low sample sizes for out-of-country cohorts. In addition, cases identified out-of-country may be skewed towards granted cases. They should, therefore, not be extrapolated beyond this analysis.
72. Table 29 shows the characteristics of those being granted PTE or PTS on the basis of Article 8 for the first time. The categories below can be overlapping and are percentages of the whole sample.

Table 29: Selected characteristics amongst in-country, first-time granted applications

Characteristics	Proportion
Arrived in the UK illegally	39%
Overstayed their permission to stay	38%
Arrived in the UK illegally or overstayed their permission to stay ⁶⁴	71%
Applicant has a British child or qualifying child ⁶⁵	67%
Unemployed ⁶⁶	76%
Failed suitability (excluding illegal entrance and overstaying) ⁶⁷	8%

⁶⁴ Applicants could have both overstayed a visa and entered illegally in the past, so this category includes those who fall under one category or both.

⁶⁵ Qualifying children are defined under the Nationality, Immigration and Asylum Act 2002 as a person under the age of 18 who is a British citizen or who has resided in the UK continuously for seven years.

⁶⁶ Unemployed at the time of application; this category includes both those with and without the right to employment.

⁶⁷ Failing suitability means the Home Office has refused an application because of concerns about the applicant's conduct, this includes criminal convictions and providing false information.