Title: The Legal Aid, Sentencing and Punishment of Offenders
Act 2012 (Legal Aid for Separated Children) (Miscellaneous
Amendments) Order 2019. Order expands brings non-asylum
immigration and citizenship matters for separated migrant children
into scope of legal aid.

IA No: MoJ032/2019

Lead department or agency: Ministry of Justice

Impact Assessment (IA)

Date: 22 July 2019

Stage: Final

Source of intervention: Domestic

Type of measure: Statutory Instrument (draft affirmative) to amend primary legislation

Contact for enquiries: Isabel Latham, MoJ, 07542944606

Summary: Intervention and Options

Cost of Preferred (or more likely) Option					
Total Net Social	Business Net	Net cost to business per year N/A	Business Impact Target Status		
Present Value N/A	Present Value N/A		N/A		

RPC Opinion: Not applicable

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

Schedule 1 of Part 1 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO) sets out the scope of legal aid. Under the current arrangements, civil legal services for most cohorts in relation to immigration applications for entry clearance, leave to enter or to remain in the UK, and applications for registration as a British citizen or subject, are only available where the criteria for the Exceptional Case Funding Scheme are satisfied. ECF is granted for legal services which are out of scope of LASPO but where failure to provide legal aid would breach or risk breaching the individual's rights under ECHR or EU enforceable rights. Non-asylum immigration matters for separated migrant children where in scope of legal aid in the previous scheme (pre LASPO 2012). Following litigation by The Children's Society (TCS) in 2018, the Government has decided to bring legal aid for non-asylum immigration matters and for citizenship matters into scope of legal aid for separated migrant children. The amendment will also include applications for registration as a British subject and citizen.

What are the policy objectives and the intended effects?

The policy objective is to widen the scope of legal aid for advice and representation to separated migrant children for non-asylum immigration and citizenship matters to help to ensure that separated children are able to resolve their immigration issues. This is in recognition of the fact that these children have distinct vulnerabilities and needs, which can be made worse by uncertainty in their immigration status. The provision of legal aid will also partly relieve the financial pressure on Local Authorities and relatives/friends in managing these legal needs.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

- Option 0: Base case (do nothing)
- Option 1: Reinstate legal aid for non-asylum immigration and citizenship matters for separated migrant children, and remunerate this work using current hourly rates for unaccompanied asylum seeking children work.

In order to meet the commitments made following litigation, the Government's preferred option is Option 1.

Will the policy be reviewed? It will not be reviewed.						
Does implementation go beyond minimum EU requirements?			N/A			
Is this measure likely to impact on trade and investment?		N/A				
Does this measure comply with our international trade and investment obligations, including those arising under WTO agreements, UK free trade agreements, and UK Investment Treaties?			N/A			
Are any of these organisations in scope? Micro Small Medium Large N/A N/A N/A N/A N/A			•			
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent) Traded: N/A Non-traded: N/A			ded:			
have read the Impact Accessment and I am esticited that given the available evidence it represents a						

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.

Summary: Analysis & Evidence

Policy Option 1

Description: Reinstate legal aid for non-asylum immigration and citizenship matters for separated migrant children, and remunerate this work using current hourly rates for unaccompanied asylum seeking children work.

FULL ECONOMIC ASSESSMENT

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

COSTS (£m)	Total Tra (Constant Price)	ansition Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low				
High				
Best Estimate	£0.1m		£1m	N/A

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

This option is estimated to result in increased expenditure from the Legal Aid Fund of £1m per year. The Legal Aid Agency (LAA) is expected to incur additional one-off implementation costs due to changes to IT systems, administration and guidance estimated at about £100,000.

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

Legal aid funding for separated migrant children will be available in the form of legal help and legal representation. The administrative burden of assessing the child's eligibility for controlled work (both merits and means) is delegated to the provider. Therefore, solicitors are expected to incur increased administrative burden in acting for separated children in the categories of non-asylum immigration matter that are being brought into scope, although these costs cannot be estimated. The Home Office are expected to see a rise in immigration applications and appeals due to this amendment which could raise their administrative costs, given the wider increase in claims from separated children.

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

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

Immigration legal services providers in receipt of an LAA contract are estimated to receive about £1m in additional fee income per year.

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

Separated migrant children will benefit as they will be eligible for legal aid for non-asylum immigration and citizenship matters for which funding was previously only available via the ECF scheme. Further, due to the input of legal aided advice on the separated migrant child's initial immigration application the Home Office may benefit from smoother processing of applications and appeals, potentially lowering administrative costs. Local Authorities, who in guidance from the Department of Education on unaccompanied and separated migrant children are advised to ensure that the child receives appropriate immigration legal advice and support, will also benefit from having the funding burden removed in instances where Exceptional Case Funding was not made available (because the relevant criteria were not met)/an ECF application was not made. This cost cannot be quantified as there is variation in the extent to which Local Authorities support the legal needs of separated children in their care (i.e. looked after children) and therefore variation in the costs Local Authorities currently incur.

Key assumptions/sensitivities/risks

Discount rate (%)

N/A

The volumes of claims which would be made by separated migrant children on non-asylum immigration matters are estimated based on 2012-13 legal aid volumes of non-asylum immigration claims submitted by children. It is assumed that all these claims were made by separated children. Further, average case costs of unaccompanied asylum-seeking children (UASC) are used as a proxy for future case costs of claims by separated migrant children. Sensitivity analysis has been carried out using different assumptions, informed by 2017 Home Office data. The impact of volumes being around 3 and 6 times higher, and the proportion of controlled legal representation work being smaller, has been included in this sensitivity analysis. This analysis shows substantial effects on total costs, with estimated costs rising broadly in line with volumes.

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m: N/A
Costs: N/A Benefits: N/A Net: N/A			

Evidence Base

A. Background

- Legal aid is available to an individual if the service in question is a civil legal service described in Part 1 of Schedule 1 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (LASPO). Where the service is not a civil legal service described in Schedule 1, legal aid may be available via the Exceptional Case Funding (ECF) scheme.
- 2. The purpose of the ECF scheme is to provide legal aid, subject to the applicant passing the eligibility criteria of financial means and merits, for matters that do not fall within the scope of Part 1 Schedule 1 of LASPO, where failure to do so would be a breach, or risk a breach of;
 - the individual's Convention rights (within the meaning of the Human Rights Act 1998);
 - any rights of the individual to the provision of legal services that are enforceable EU rights.
- 3. Civil legal services for separated migrant children in relation to immigration applications for entry clearance, leave to enter, or to remain in the United Kingdom, and in relation to applications for registration as a British subject or citizen are currently only available where the criteria for ECF are satisfied. Before LASPO 2012, non-asylum immigration matters for separated migrant children, along with other cohorts, were broadly in scope of legal aid.
- 4. Following litigation from The Children's Society, the government agreed to bring civil legal services for separated migrant children's non-asylum immigration matters back within the scope of the legal aid scheme. This is in view of the challenges separated migrant children face in accessing legal advice that is not legally aided. This Impact Assessment (IA) describes the costs and benefits associated with this decision.

B. Policy Rationale and Objectives

- 5. The conventional economic rationales for government intervention are based on efficiency and equity arguments. The government may consider intervening if there are failures in the way markets operate (e.g., monopolies overcharging consumers) or failures with existing government interventions (e.g., waste generated by misdirected rules). The proposed new interventions should avoid creating a further set of disproportionate costs and distortions. The government may also intervene for equity (fairness) and re-distributional reasons (e.g., to reallocate goods and services to more needy groups in society).
- 6. The principal rationale for this scope change is equity. The Government considers that this amendment to the scope of legal aid is necessary to better protect the rights of separated migrant children.
- 7. The associated policy objectives are to ensure that a particularly vulnerable group, separated migrant children with non-asylum immigration matters, be eligible for and receive appropriate legal help and representation. Separated children have distinct vulnerabilities and needs, which can be made worse by uncertainty in their immigration status.

C. Affected Stakeholder Groups, Organisations and Sectors

- 8. The proposals assessed in this IA are expected to directly affect the following groups:
 - Separated migrant children with non-asylum immigration and citizenship matters who will be eligible (subject to statutory eligibility assessments) for legal aid to fund civil legal services in

- relation to immigration applications for entry clearance, leave to enter, or to remain in, the United Kingdom, and applications for registration as a British citizen or British subject.
- Immigration legal services providers who hold a relevant legal aid contract with the Legal Aid Agency (LAA) and are able to act for separated migrant children in the civil legal categories affected by this change;
- The LAA which is responsible for administering immigration legal aid remuneration;
- The Home Office which is responsible for administering immigration applications; and
- Local Authorities who, under existing arrangements, sometimes fund legal help and
 representation to resolve non-asylum immigration issues of separated migrant children who are
 'looked after'. This is potentially in instances where ECF is not available because the relevant
 criteria have not been met and therefore the application was refused, or in instances where an
 ECF application has not been made.

D. Description of options considered

- 9. To meet the above policy objectives, the following two options are considered in this IA:
 - **Option 0/'Do nothing'**: Retain the existing arrangements for non-asylum immigration related legal aid for separated children
 - **Option 1:** Reinstate legal aid for non-asylum immigration and citizenship matters for separated migrant children, and remunerate this work using current hourly rates for unaccompanied asylum seeking children work.
- 10. In order to meet the commitments made following litigation, the Government's preferred option is Option 1.

Option 0

11. The current scope of civil legal matters in the legal aid scheme is defined in Part 1 Schedule 1 of LASPO. Under this option, non-asylum immigration and citizenship matters would not be in scope of legal aid for separated migrant children, although they could apply for legal aid through the ECF scheme if the application met that scheme's criteria.

Option 1

- 12. Under this option, the government will reinstate legal aid for separated migrant children concerning non-asylum immigration and citizenship matters. This amendment will cover civil legal services provided to separated migrant children in relation to immigration applications for entry clearance, leave to enter, or to remain in, the United Kingdom, and applications for registration as a British citizen or British subject.
- 13. Due to the precedence of legal casework for Unaccompanied Asylum-Seeking Children (UASC) being remunerated on hourly rates, we intend to remunerate the work stemming from this amendment on the same basis. This is in recognition of the shared vulnerabilities between the UASC and separated child migrant cohort, the complexity of their legal needs and the discrete nature of the legal work. This represents a change in remuneration for this cohort as a result of these matters being brought into scope of legal aid; under the existing ECF arrangements, providers are paid fixed fees.

E. Cost & Benefit Analysis

14. This IA follows the procedures and criteria set out in the IA Guidance and is consistent with the HM Treasury Green Book.

- 15. Where possible, IAs identify both monetised and non-monetised impacts on individuals, groups and businesses in England and Wales with the aim of understanding what the overall impact on society might be from the proposals under consideration. IAs place a strong focus on monetisation of costs and benefits. There are often, however, important impacts which cannot sensibly be monetised. These might be impacts on certain groups of society or data privacy impacts, both positive and negative. Impacts in this IA are therefore interpreted broadly, to include both monetisable and non-monetisable costs and benefits, with due weight given to those that are not monetised.
- 16. The costs and benefits of each option are compared to option 0, the counterfactual or "do nothing" scenario. As the counterfactual is compared to itself, the costs and benefits are necessarily zero, as is its net present value (NPV).
- 17. This IA considers the impact of the proposed reform in isolation.
- 18. In this IA, monetised costs and benefits have been rounded to the nearest £100 when below £100,000, to the nearest £50,000 when between £1m and £100,000 and to the nearest £1m when above £1m. Volumes have been rounded to the nearest 10 when below 100, to the nearest 100 when below 1,000 and to the nearest 500 when above 1,000.

Option 1: Reinstate legal aid concerning non-asylum immigration related matters for separated children and remunerate this work using current hourly rates for unaccompanied asylum seeking children work

Methodology

- 19. LAA data has been used to estimate the costs and benefits of Option 1. The volumes and assumed unit costs have been estimated separately for the different levels of service which legal aid provide for immigration matters, as the costs are different for each:
 - Legal help (LH) provides advice and assistance to a client for their legal issue, before the case reaches an appeal to the First Tier Tribunal (FTT);
 - Controlled legal representation (CLR) provides advice and representation at the FTT, and until September 2018 the same service at the Upper Tier Tribunal (UTT). In September 2018 work at the UTT was reclassified as civil representation.
- 20. Civil representation provides advice and representation for appeals beyond the scope of CLR, including Judicial Reviews. Civil representation differs from LH and CLR in that the authority to grant permission to provide legal aid is exercised by the LAA, where for LH and CLR it is delegated to the provider. The civil representation costs have not been considered in this IA as we cannot distinguish the relevant cases from the data available. Nevertheless, we expect the resulting knock-on costs to be relatively small due to low volumes previously.

Volumes

- 21. As noted above, legal aid was available for non-asylum immigration related matters for separated migrant children as a matter in scope of legal aid up until 2012-13. We have therefore used the 2012-13 volumes of controlled work claims submitted for child clients (as above, it is assumed that all these claims were made by separated children), and assumed that demand will return to this level. Additionally, we have assumed that all these children will be eligible under this policy, as explained in the Risks and Assumptions section.
- 22. Sensitivity analysis (Section F) has been conducted to investigate the effect of changing case volumes (to partially account for post-LASPO fluctuations in immigration flows and changes in tribunal appeal legislation). Home Office data on immigration has been used to inform the sensitive analysis.

<u>Costs</u>

23. Average unit costs for UASC cases from 2013-14 to 2017-18, split by LH and CLR, are used as a proxy for the cost of separated migrant children's cases. These cases are considered a good proxy

- because they are remunerated using hourly rates, they reflect post-LASPO trends in case costs and because of the shared vulnerabilities and complexity of legal needs for these cohorts.
- 24. Post-2013 data on UASC case costs has been used because this coincides with the implementation of LASPO. We use five years' worth of data due to low case volumes and large variation in case costs across these years for UASC claims. Even though LASPO did not alter the scope of legal aid for unaccompanied asylum-seeking children, we have used post-LASPO costs to reflect the current average spend on these cases.
- 25. Please see section F for a detailed description of the assumptions adopted and their related risks.

Costs of Option 1

Legal Aid Agency

- 26. There will be an increased cost to the legal aid fund as a result of this amendment, as it makes provision for separated migrant children to be eligible for civil legal services in relation to immigration applications for entry clearance, leave to enter, or to remain in, the United Kingdom, and applications for registration as a British citizen or British subject.
- 27. In 2012-13 (pre LASPO volumes) a total of 800 controlled work claims, around 700 (LH) and 200 (CLR) claims¹, concerning non-asylum immigration matters were made by children. Estimated UASC average unit costs are £1,200 and £1,700 for LH and CLR respectively. Further, a total expenditure of about £21,900 based on 30 claims, was spent on children's claims concerning non-asylum immigration matters in 2017-18. Thus, assuming that similar figures will be applicable for future cohorts of separated migrant children seeking legal aid concerning non-asylum immigration matters and subtracting current costs, the estimated additional spend is in the region of £1m per year, on roughly 800 additional claims.
- 28. It is expected that this scope change will lead to a rise in onward appeals at the upper Immigration and Asylum tribunals which in turn could push up LAA spend on civil representation, if the relevant criteria for representation are met. However, as we cannot identify relevant case types in civil representation data we have been unable to estimate any costs due to a possible rise due to more onward appeals. We expect LAA spend on licensed work to be relatively insubstantial, as overall volumes for civil representation have historically been low compared to those of LH and CLR.
- 29. There will be one-off implementation costs to the LAA from updating guidance and making amendments to operational processes and IT systems, estimated at about £100,000.

Immigration legal aid providers

30. As the assessment of a child's eligibility for legal aid on immigration matters rests with the provider, there will be an increase in the administrative burden placed on solicitors when receiving initial instructions from their client. Since we do not have estimates of providers' processing costs concerning eligibility assessments we have been unable to estimate the cost of this.

Home Office

31. The provision of legal aid to separated migrant children is expected to raise the number of applications and appeals to the Home Office, raising administrative costs.

Benefits of Option 1

Immigration legal aid providers

32. Immigration legal aid providers are likely to experience a rise in demand for their services if non-asylum immigration and citizenship matters for separated migrant children are brought into scope of the legal aid scheme. The resulting rise in fee income is estimated as about £1m (as explained above in paragraph 27).

¹ Numbers do not add up due to rounding

Separated non-asylum migrant children

- 33. In 2012-13 around 800 more controlled work claims were submitted by children concerning non-asylum immigration matters than in 2017-18. It is expected that a similar volume of separated children will benefit from this option each year as they will be eligible for legal aid for non-asylum immigration matters for which funding has previously only been accessible via the ECF scheme.
- 34. Separated migrant children have distinct vulnerabilities and needs, which can be made worse by uncertainty in their immigration status. This includes the risk of going missing from local authority care, and being subject to exploitation in private foster care arrangements. Further, if children do not resolve their immigration status during childhood, they can become ineligible for certain public services (like being able to work, find housing or continue with education) when they turn 18.

Home Office

35. It is expected that professional legal advice from legal aid immigration solicitors on non-asylum immigration matters will help to ensure more robust initial decision making because the original application should make the best possible case, improving the quality of applications and appeals to the Home Office.

Local Authorities

36. For separated migrant children who are looked after by a Local Authority, the legal needs of this cohort are sometimes met by Local Authorities who seek legal advice and representation from immigration solicitors at private rates. From preliminary analysis, there appears to be considerable variation in the extent to which Local Authorities secure legal support for separated children attempting to resolve immigration issues so it is not possible to quantify the savings for Local Authorities. However, as a result of this amendment the financial burden to secure this support will be removed from Local Authorities.

F. Risks, Assumptions & Sensitivity Analysis

Risks and Assumptions

37. The following assumptions have been adopted to estimate the above impacts. Their related risk factors are outlined below too.

	Assumptions	Risks
Average case costs		UASC cases record more hours spent on legal advice on average than do legal aid claims (remunerated on hourly rates) submitted by children regarding non-asylum immigration cases when looking at data pre-2013. They are also more expensive on average. Further, the maximum fee claimable is higher for UASC than separated children seeking legal advice/representation on non-asylum immigration matters. Thus, this may represent an overestimate of future costs of non-asylum immigration cases brought forward by separated children.
Representation cases are classed as "controlled"	Controlled representation costings have been used for all representation cases covered by this analysis.	As changes in tribunals legislation mean that some work previously undertaken under Controlled Legal Representation (CLR) have become certificated Civil Representation, costs for such cases may differ from those used in this analysis

Case Volumes	It is assumed that all children who submitted LAA applications in their own right for non-asylum immigration matters in 2012-13 (pre LASPO volumes) were separated children. Additionally, these volumes are assumed to be representative of future volumes if non-asylum immigration matters are brought back into scope of legal aid for separated children. While the extent to which this is an accurate proxy for unaccompanied minors in the non-asylum immigration sphere is unclear, it does suggest there may have been an increase in applications from separated children making non-asylum immigration claims in the same period. These legal aid changes may also encourage a greater number of applications from those affected by them, and/or further litigation than currently	It may be that some of these children were not separated and as such would not be eligible for legal advice under this policy. On the other hand, it may be that claims submitted by adults are on behalf of separated children. The latter have not been included as we cannot identify from the data whether this is the case. Thus, it is ambiguous whether this represents an over- or underestimation of volumes. Further, volumes from 2012-13 may not be representative of the volumes that will occur subject to this policy due to trends in immigration flows and other external factors. As some of the relevant non-asylum immigration related case types were taken out of scope following LASPO using more up to date data was not possible - this is the last year available.	
	Stock-piling of applicants is not a prominent source of additional cost since most applicants would have grown too old to apply	We have attempted to capture this to some extent in section G, sensitivity analysis.	
	There will be no great "awareness effect".	Given the press and stakeholder interest in this policy application numbers might rise as applicants realise they are eligible. We have attempted to capture this to some extent in section G, sensitivity analysis.	
Civil Representation for onward appeals	We have been unable to estimate the cost of a potential rise in onward appeals since Civil Representation data does not allow us to distinguish between non-asylum and asylum immigration matters. Nor does it allow us to identify UASC cases. Thus, we have assumed that knockon costs to onward appeals will be small since previous volumes have been small.	As Civil Representation cases are more expensive on average than are LH and CLR cases this might lead to an underestimate of the true cost of this policy.	
Wider effects	Supply side effects will be insubstantial.	As immigration legal service providers could not receive funding via legal aid for some non-asylum immigration matters (other than via successful ECF applications for these matters), and those that could will see a change in remuneration from fixed fees to hourly rates, remuneration will rise subject to this policy. As a result, barristers and solicitors might want to supply more of their services (both on an hourly and case basis) which would drive up costs. Nevertheless, non-asylum immigration legal aid is demand-	

 led and so these upward pressures should
· · ·
not prove too substantial.
We have attempted to capture this to
some extent in section G, sensitivity
 analysis.

Sensitivity Analysis

- 38. As noted in the Risks and Assumptions sub-section, there is uncertainty about the number and type of future claims induced by the preferred option. Sensitivity analysis has therefore been conducted to investigate the cost effect of changing claim volumes and mix from the 2012-13 baseline, used in the main analysis.
- 39. When looking at LAA data from 2012-13 there were a total of 800 relevant claims². By way of comparison, data from the Home Office on settlement, extension of stay and citizenship applications by non-dependent children in 2017 shows that if all current applicants of this type were to get legal aid, the total number of controlled work claims would be much greater but include a smaller proportion of CLR claims³ than present in the LAA data.
- 40. In addition, volumes of applications to the Home Office from UASC were almost three times higher in 2018-19 than 2012-13. While the extent to which this is an accurate proxy for unaccompanied minors in the non-asylum immigration sphere is unclear, it may provide supporting evidence that the number of unaccompanied non-asylum seeking children could be greater than that suggested by LAA data from 2012-13.
- 41. Therefore, to stress test our results we have estimated the additional costs to the LAA if claim volumes were greater and the proportion of CLR claims smaller than in the 2012-13 LAA dataset. The results of this analysis are found in Table 1.
- 42. Table 1 shows controlled work claim volumes and mix under three different scenarios. First, using LAA claim volumes from 2012-13 (800), and subtracting current costs, we find that the cost of Option 1 is £1m, the headline figure. The remaining rows in Table 1 show the effect of additional controlled work legal aid claims (including both LH and CLR claims) and a smaller proportion of CLR claims (these are more expensive on average than LH claims).

Table 1: Effect of variation in claim volumes on cost to LAA

	Total Claim Volume	Of which CLR Claim Volume	Additional Cost to LAA
Main Analysis, 2012-13 LAA data	800	200	£1m
Sensitivity Variant 1	3,000	500	£4m
Sensitivity Variant 2	6,000	700	£7m

G. Wider Impacts

43. An equalities statement has been prepared alongside the statutory instrument.

²Non-asylum immigration controlled work matters submitted by children

³Assuming the ratio of the volumes of CLR claims to LH claims would be the same as the ratio of refused applications to total application volumes.

H. Enforcement and Implementation

- 44. The LAA will alert and provide guidance to legal aid providers (solicitors) on the additional work stemming from this amendment via its website.
- 45. We will be working with the Department of Education, Home Office and stakeholders in communicating this amendment (once it has been made and come into force) to Local Authorities so they are aware that immigration advice for separated migrant children will be in scope of the legal aid scheme.

I. Monitoring and Evaluation

- 46. The operation and expenditure of the legal aid scheme is continually monitored by the Ministry of Justice and the LAA.
- 47. We will continue to work with stakeholders in assessing the impact of this policy on separated migrant children.