IN TRANSITION
ROMANIAN AND BULGARIAN MIGRATION TO THE UK

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All views and errors remain the authors’ own.

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In January 2014, temporary restrictions on the working rights of Romanian and Bulgarian citizens in the UK will be lifted. This has prompted a great deal of public anxiety about the additional pressures that may be placed on the labour market and hard-pressed housing and public services by new migrants from these countries, stoked by media headlines forecasting large numbers of new arrivals. The government’s response to these concerns has been mixed. On the one hand, it has wisely refrained from making an official estimate of the likely scale of new migration flows and has made some attempts to downplay the most sensationalist predictions. On the other hand, as the end of the year has got closer, ministers have rushed through a series of measures designed to reduce migrant access to welfare benefits and ramped up their anti-EU rhetoric. It is therefore little wonder that large numbers remain in favour of keeping these transitional controls in place beyond their legally allowable limit.

Free movement within the European Union became a contentious issue in the UK after 2004, when eight new states joined the EU. At this point, the British government decided to grant them full and immediate access to the UK’s labour market, expecting that between 5,000 and 13,000 people a year would arrive. In fact, tens of thousands a year took up this opportunity (711,000 in total between 2004 and 2012). Although some of this migration has been temporary and circular (with 289,000 having left the UK within the same period), a large number of eastern Europeans have stayed on. Given these developments, it has not been difficult to play on fears among the public that the UK is facing another major wave of migration.

The situation this time is different, for two key reasons.
• Romanians and Bulgarians have been able to move to the UK for work since 2007. Official data shows that the number of Romanians and Bulgarians in the UK has risen by 118,000 since then, reaching 158,000 at the end of the first quarter of 2012. Although there have been restrictions on the jobs they can do, these figures suggest that many of those who wanted to move to the UK may have done so already.
• Other EU states (including Germany, France and the Netherlands) are opening their labour markets to the ‘A2’ countries at the same time, meaning that the UK is unlikely to see the same levels of migration – proportionally speaking – as it did in 2004.

While the scale and pace of migration from Romania and Bulgaria may differ from ‘A8’ flows, its impacts are likely to be similar. Our analysis shows that like other migrants from eastern Europe, most Romanians and Bulgarians currently in the UK are younger and healthier than the population as a whole. They are also more likely to be in work and paying taxes, and less likely to be drawing benefits. At present, Romanians and Bulgarians are clustered at the top and bottom of the labour market, and have settled primarily in London and the south east, but from January 2014 they will be freer to move around the UK in search of employment. They will have more opportunities to work in the services sector and as skilled tradespeople, increasing the chances that they will be competing for work with British people.

Key findings
The main challenges that arise as the result of new A2 migration flows are likely to relate to increased demand for housing and public services, as well as new arrivals’ language needs. Over time, these migrants will accrue more entitlements to welfare, which needs to be planned for. There are also some specific issues that will need to be tackled at both national and local levels, such as the exploitation of workers from these countries...
and the integration of Roma migrants. Problems such as anti-social behaviour (including aggressive begging), rough sleeping and even criminality could also arise.

Our analysis suggests that the following factors will need to be taken into consideration when planning for the economic and social impacts of new migration from Romania and Bulgaria.

- Romanian and Bulgarian migrants have been concentrated in high-skill jobs and seasonal agricultural work over the past seven years. Once they have full access to the labour market, their employment patterns are likely to shift and to look more like those of their A8 counterparts. This may lead to shortages in sectors where A2 migrants have been concentrated since 2007, particularly in horticulture and agriculture.

- Roma migrants face specific challenges accessing the labour market. All economic migrants from the EU are required to be working or actively looking for a job if they want to live in the UK, and the government is right to require those who are not doing so to leave. However, there are local examples of good practice in promoting the economic inclusion of those migrants facing structural barriers to working and contributing that should be learned from and applied more widely.

- Future migration to the UK from Bulgaria and Romania is likely to place added pressure on the lower end of the private rented sector, particularly in the areas of London and the south east where most Romanian and Bulgarian migrants currently live and where housing is already in high demand. The government has taken action to ensure that migrants cannot access social housing, but has done little to ensure that the private rented sector can withstand additional pressure.

- Immigration can cause challenges for police forces, although on average areas with high levels of A8 migration have seen a drop in crime since 2004. However, there may be increased instances of anti-social behaviour, caused by the arrival of people who are unaware of UK laws and customs.

- Language barriers may create difficulties for some A2 migrants in terms of their interactions with education, health and police services. Cuts to resources designed to address these issues have made it harder to respond to public concerns about immigration’s impacts on public services.

- Instances of human trafficking between Romania and the UK are worrying. Ending transitional controls may make people from these countries less vulnerable to exploitation in the UK labour market. The removal of transitional controls is unlikely to affect levels of organised crime from Romania and Bulgaria, since the changes involved only affect migrants who come to work.

- While most new migrants integrate well, some challenges do arise from the arrival of newcomers who do not know how life works in the UK and have different cultural practices. Most integration efforts to date have focused on the formal requirements of citizenship for migrants from outside the EU. Yet it is important that all those who come to the UK to work hard and contribute to their communities are helped to settle in and understand their rights and responsibilities as residents of the UK. This is particularly true for marginalised groups like the Roma, who are the subject of considerable misunderstanding and hostility.

There are clear lessons that could have been learned and applied from the experience of A8 migration. However, rather than using the period of transitional controls to anticipate and plan properly for these potential pressure points, politicians have spent most of their
time looking at how to reduce the pull factors that encourage people to move to the UK in the first place. A series of announcements has been made in recent weeks about restricting access to benefits for EU migrants and increasing border controls; yet these are unlikely to reduce the number of new arrivals drastically, since most European immigrants are attracted by Britain’s flexible labour market and the opportunity to work rather than its welfare system.

There have also been calls to unilaterally extend transitional controls on Romania and Bulgaria, in breach of the UK’s legal obligations as a member of the EU. While showing rhetorical sympathy for this suggestion, the government knows it cannot be implemented. But its posturing has confused the public and alienated potential allies in Europe that might otherwise share its goal of making sensible reforms to the way that free movement regulations operate. As new research into public attitudes on this issue shows, there is more public support for a pragmatic approach to this than commonly assumed (British Future 2013).

Free movement is a vital driver of growth and prosperity in Europe and benefits all member states, including the UK. That is not to say that it works perfectly at all times. This system was designed when the EU was smaller and more economically contiguous, and it is legitimate to look for reforms that will ensure that its benefits are shared more equally. Further efforts are also required to support the successful integration of EU citizens who do choose to move to another member state, particularly where difficulties around language and culture arise. However, changes and reforms need to be discussed and negotiated, with compromises reached. Last minute unilateral actions taken in an atmosphere of panic and fear mongering are no way to approach this issue.

Recommendations
Alongside broader debates about the way that free movement works in the EU, there needs to be a better process for quickly identifying and responding to the local impacts of new flows from Romania and Bulgaria (which the public are clearly concerned about) and better targeted support from central government in managing them. This is beyond the remit of the current cabinet sub-committee that has been set up to look at how to restrict migrant access to benefits.

- The government should create a new cabinet-level Committee on the Impacts of EU Migration. Given the number of policy areas that are affected by migration and the high profile of the issue, this should be led by a senior cabinet minister and include representatives from the Department for Communities and Local Government, the Department for Work and Pensions, the Home Office and the Treasury.

- This committee should hold regular meetings in London and other parts of the country that have experienced high levels of EU migration, and respond quickly to concerns about impacts raised by MPs, local authority representatives and service providers (such as hospitals and schools). Creating a dedicated forum of this kind would allow rapid discussion of both the challenges and potential solutions, and show where additional resources might need to be directed.

- The government should also request the independent Migration Advisory Committee to produce an annual assessment of the labour market, social and public service impacts of EU migration in the UK, in order to create a stronger evidence base for policymaking in this area.
Most European migrants integrate well with the British workforce and society. However, pressures do result from increased demand for housing and public services, and from the language problems some new arrivals experience. In 2008 the previous Labour government set up a Migration Impacts Fund (MIF) to address local challenges associated with migration, but the Coalition scrapped it in 2010. While this fund could not on its own solve some of the larger problems the UK is facing around building sufficient housing for all its citizens and reforming its welfare system, there is a strong argument for re-establishing a dedicated fund for helping communities to address some of the smaller practical challenges that result from the arrival of new migrants.

- From January 2014, the government should make available a pot of money to respond to any pressures created by migration flows from Romania and Bulgaria in the first six months of the year. This could be set at the same level as the previous Migration Impacts Fund, although it would not necessarily have to be spent. It would simply be a contingency to alleviate any short-term pressures.

- The government should commission an independent evaluation of the effectiveness of the previous MIF with a view to quickly re-establishing a fund that could perform a similar role in addressing specific and localised impacts of all migration to the UK, including from the A2 countries and the EU.

- This should primarily be funded through visa fees rather than additional taxation, in recognition that it is fair to ask migrants to make a contribution to the communities into which they move. Given that EU migrants do not pay visa fees, the government should supplement the resources available for this fund by applying for additional money through the European Social Fund, which has a budget of €10 billion a year for creating more and better jobs and a socially inclusive society in Europe.

- Any funding disbursed through this new scheme should be concentrated in areas that receive significant new migrant populations, and granted in response to applications from local authorities and service providers for projects that will deliver tangible integration outcomes, such as improving the English language ability of new migrants.

Other challenges may arise from the arrival of groups that have traditionally found it harder to integrate into host communities. Roma migrants (some but not all of whom come from Romania or Bulgaria) have been the target of discrimination and misunderstanding across Europe, and there are reports that their presence has exacerbated community tensions in certain parts of the UK. While we should expect all those who come to the UK to be prepared to work, respect local values and make a contribution to society, it is also clear that much more needs to be done to tackle entrenched prejudices and support those who find the integration process challenging because of this.

- The government should take a hard line against EU migrants who are not exercising their free movement rights to work or support themselves in the UK. However, it should also be alert to the fact that some migrants face exploitation or other structural barriers to working and contributing that need to be addressed.

- The government should draw on existing examples of good practice at the local level in the UK and across Europe on promoting Roma inclusion and develop a clear strategy for those migrants, in line with what has been recommended by the European Commission and working in partnership with source countries. It should also be more proactive in applying for the European Social Fund resources available for this purpose.
The imminent lifting of transitional controls on the working rights of Romanian and Bulgarian citizens in the UK has pushed the question of EU migration back up the political and public agenda. In a poll conducted in October 2013, nearly three quarters of the respondents said they were concerned about the prospect of Romanians and Bulgarians coming to the UK next year (Sky News 2013). Another survey found that 79 per cent were in favour of keeping controls on the numbers that can settle here (ComRes 2013). These views have been repeated and reinforced by a steady stream of political statements and media reports claiming that large numbers from these countries will be a ‘catastrophe’ for British citizens and that a ‘crusade’ should be launched to prevent new migration flows.\footnote{See Dawar 2012 and Little 2013 for examples of particularly negative and misleading media coverage. Some political campaigning has also sought to create fear about post-2014 migration from Romania and Bulgaria, such as Ukip party leaflets suggesting that 29 million individuals could come to the UK: see Eaton 2013.}

Political rhetoric has also toughened up over the past year, with much discussion of how British workers can be incentivised to take on the kinds of jobs that are often done by eastern European migrants and of how to limit access to welfare and public services for these and other migrants.

It is entirely legitimate for policymakers to be concerned about the pace and scale of European migration flows, not least because this is an issue about which there is so much public anxiety. The general failure to prepare properly for the rapid inflow of citizens from the previous group of ‘A8’ accession states\footnote{In this paper, we use the term ‘A8’ to refer to the countries that joined the EU in 2004 (the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia) and ‘A2’ to refer to Romania and Bulgaria.} in 2004 and to anticipate the effects on existing communities was short-sighted, and led to a number of avoidable problems. It also polarised the broader migration debate in the UK.

Since then, the UK has had nearly 10 years’ experience of managing the impact of migration from A8 countries. The past decade has shown that the economy and society are flexible enough to adapt to and benefit from European migration flows – as long as the pressure points and potential flare-ups these flows create are quickly identified and addressed. However, there is little to suggest that many lessons have been learned and applied in the run-up to 2014. Instead, the conversation remains focused on how to deter new arrivals from coming, either through imposing further transitional controls on the ‘A2’ countries, or through tightening up the restrictions on the benefits that EU migrants are able to access.

In this paper, we argue that neither tactic on its own will achieve this short-term goal: the former because it is counter to our legal obligations to the EU, and the latter because it will not affect the intentions of most EU migrants, who move here to work. Over the longer-term, reform of the way that free movement regulations are applied needs to be negotiated with EU partners well in advance, rather than unilaterally at the last minute.

We do not intend to make our own predictions about the numbers, although we discuss the estimates that others have made. Instead, we aim to make a more practical contribution to this debate by outlining a new approach: looking at what we know about the likely impacts of Romanian and Bulgarian migration after 2014, and at what can be done at both the national and local level to ensure that these are managed in a way that is fair, principled and effective.

1.1 The political context

European migration has been an increasingly contentious issue in the UK since 2004, when the labour market was immediately and fully opened to citizens from the A8 countries that had just joined the European Union. In advance, government-commissioned
research estimated that between 5,000 and 13,000 citizens from the EU’s new member states were likely to arrive each year after 2004 (Dustmann et al 2003), but the actual inflows were much larger than this. Long-term international migration statistics suggest that between 2004 and the end of 2012, a total of 711,000 people have arrived and 289,000 have left from these countries, meaning that there has been a ‘net’ increase of 420,000 over this period (ONS 2013a). A8 migration trends have not been uniform. An increasing number of people arrived every year until 2007, but since then the numbers have dropped significantly. Year-end data shows that there were 58,000 arrivals in 2012, which is nearly half of the 2007 peak of 112,000. This is likely to be related to the financial crisis and its impact on job markets and unemployment levels in the UK and other parts of Europe.

However, these arrivals altered the economic and social dynamics in many parts of the country that had not previously experienced much immigration, and created understandable anxiety about the impacts of such rapid population changes. Concerns have centred on whether these new migrants have contributed as much to their communities as they have received, and whether everyone in those areas has fair and adequate access to jobs and public services. The rapid changes have also damaged the government’s reputation for competency and reduced public confidence in any party’s ability to deliver on their promises on immigration policy. A recent YouGov survey showed that only 15 per cent of people think that the Coalition government is handling immigration well, despite the strenuous attempts it has made to distance itself from Labour on this issue (YouGov 2013).

At the moment, discussions about Romanian and Bulgarian migration are based on conjecture rather than fact. We do not know how many A2 nationals may come to the UK after restrictions are lifted, how long they might stay, and what they will do when they arrive. The recent history of EU migration to the UK is a useful starting point, but the situation now is different to 2004. Today, the push and pull factors for migration are more varied. Average incomes in Romania and Bulgaria are far below the EU average and there are high levels of youth unemployment in both countries (though they are considerably lower than rates in Poland just before the A8 accession). The financial crisis has increased ‘stickiness’ in the labour market, and reduced circularity (so more eastern Europeans have come – and stayed – than anticipated over the past 10 years). However, levels of inward migration from the A8 have also been falling steadily since hitting a peak in 2007, suggesting that not all of this immigration will be permanent.

The number of possible destinations for people wishing to migrate has changed too. In 2004 only the UK, Ireland and Sweden gave the A8 states immediate and unrestricted access to their labour markets whereas in 2014 a number of other EU states (including Germany, France, Belgium and the Netherlands) will be lifting their restrictions – and others have already done so. In any case, it may be that many Romanians and Bulgarians who wish to come to the UK are already here, as citizens of both countries have been able to live and work here since 2007.

The government has sensibly refrained from putting a hard number on how many Romanians and Bulgarians it expects to come to the UK after restrictions are lifted, given the difficulty of making a reasonable estimate and the criticism that was heaped on the previous Labour administration for underestimating A8 migration flows so massively. Others have been less circumspect. Conservative MP Philip Hollobone has suggested that 270,000 A2 nationals might arrive within the next two years, based on the crude
assumption that exactly the same proportions of the populations of those countries will come as from the A8 states before them (HC Hansard 2012). Drawing on A8 migration patterns and comparisons between the relative economic situation in the UK and the A2 states, the Migration Watch pressure group – which advocates lower and ‘balanced’ migration – believes that annual net immigration from Romania and Bulgaria will add between 30,000 and 70,000 individuals to the UK’s population in each of the next five years, estimating that a net average of 250,000 people will enter in this period (Migration Watch UK 2013).

Some believe these numbers to be an exaggeration. Migration Matters, a cross-party campaign for a more balanced migration debate, has argued that the UK is unlikely to be the first choice of destination for the majority of Romanian or Bulgarian migrants, given historical migration patterns between these countries and other parts of Europe. It estimates that net migration from the A2 states will average 20,000 or less per year in the five years after restrictions are relaxed (Migration Matters Trust 2013).

Anxious to counter the impact of negative media reporting, Bulgarian and Romanian government representatives have also issued statements about the numbers of their citizens likely to arrive in the UK. Bulgaria’s ambassador to the UK, Konstantin Dimitrov, has predicted that between 8,000 and 10,000 Bulgarians will come to Britain in 2014, while Romanian ambassador Ion Jinga has estimated that 20,000 could arrive from Romania (BBC 2013a). Less has been said about the potential scale of migration of Roma individuals and families, although recently published research suggests that the UK is already home to a much larger population than was earlier believed (Jenkins 2013). This type of migration causes particular concern though, and is the subject of an increasingly racialised and prejudiced debate.\(^3\)

1.2 The challenges ahead

In line with its general approach to immigration policy – which is to reduce net migration to the tens of thousands within the current parliamentary term – the Coalition government would like to bear down on migration from the EU. It is currently caught up in a legal wrangle with the European Commission about the introduction of a ‘right to reside test’, which requires additional (although fairly straightforward) proof from EU migrants seeking to access benefits that they are both legally resident in the UK and intending to settle here for the time being – beyond mere evidence of the fact that they are exercising their European free movement rights. A cabinet sub-committee on migrants’ access to benefits and public services has been established to identify the pull factors for migration to the UK and to consider options for limiting access to housing, welfare and health services (Wintour 2013). A series of restrictions on access to benefits for EU migrants in the UK who are out of work has also been announced in November and December 2013.

With respect to Romanian and Bulgarian migration, the political response has been more symbolic than substantive, and focused on control rather than management. It was reported in early 2013 that the government was considering running a negative ad campaign in these countries to highlight the drawbacks of living in the UK, although this idea was quietly dropped in the face of widespread criticism (Syal 2013). A backbench private members bill proposing an extension of restrictions on Romanian and Bulgarian working rights in the UK is currently going through parliament, although the government has postponed discussion of its new Immigration Bill to early 2014 so that this amendment cannot be brought into law before the end of the year. The emphasis on enforcement was

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3 See Duffin 2013 and McKinstry 2013
also highlighted in recent comments by a Home Office official, who suggested that special border control measures were going to be applied in the immediate period around the lifting of transitional controls in case there were any ‘surprises’ (Ford 2013).

These actions demonstrate a worrying lack of forward thinking about the effects that unexpectedly large expected inflows might have, and send an unfair message that Bulgarian and Romanian migrants are not welcome even if they are coming to work hard, play by the rules and contribute to British society, as the majority will.

Instead of rushing through last minute measures limiting access to entitlements, and suggesting that Brussels has frustrated the UK in its efforts to do so, time would have been better spent thinking strategically about how to manage the impacts of flows, even though they are unpredictable. There has not been enough preparation work with local authorities in areas that may experience pressure on primary school places and housing. Conversely, there seems to have been little thought about attracting A2 migrants with particular skills to areas where these skills are in short supply. This briefing paper aims to set out some of the lessons from the previous wave of A8 migration that the government – at both national and local levels – should consider in the short and medium term for future flows from Romania and Bulgaria and other European states.

1.3 This report
Chapter 2 draws on existing literature and data as well as information gathered from qualitative interviews to look at what we know about Romanian and Bulgarian citizens currently living in the UK – both to develop a better picture of these communities and their experiences in the UK since joining the EU, and to highlight possible future trends in settlement and employment. Chapter 3 considers the impact of new European migration flows across a range of areas including labour markets, public services, housing and integration. A concluding chapter reflects on the possibilities for an approach that focuses less on the unrealistic goal of controlling or drastically reducing the numbers of Romanian and Bulgarian migrants, and more on managing the impacts positively and equitably.
When Romania and Bulgaria joined the European Union in 2007, the British government imposed transitional controls restricting working rights in the UK for citizens of these countries. These were initially set for a period of five years, and then extended for a further two years following advice from the UK’s Migration Advisory Committee. The government's decision to impose and then prolong these restrictions was based on a number of factors, including uncertainty about whether other EU states would open their labour markets simultaneously and concern about the scale and impacts of migration from the A2 countries.

In the seven years since accession, Bulgarians and Romanians have been free to travel and live in the UK as long as they can support themselves and any family members accompanying them without becoming an ‘unreasonable burden on public funds’. However, they have only been legally able to work if they have acquired an accession worker card (following an application by a prospective employer for a work permit) or fallen into one of the following categories:

- highly-skilled migrants recruited to fill jobs for which no British worker can be found following the application of the resident labour market test
- self-employed workers
- students exercising their right to work up to 20 hours a week alongside their studies
- workers taking part in the Seasonal Agricultural Worker or Sectors Based schemes – both schemes, which recruited low-skilled workers, will be closed at the end of 2013.

On 1 January 2014, the UK and other EU member states that implemented transitional controls for the maximum allowable period must give Romanians and Bulgarians the same rights as citizens of other EEA countries to live and work wherever they choose, subject to fulfilling certain criteria. However, despite concerns about a sharp influx of migrants arriving after transitional controls are lifted, the data suggests that a steady flow of Romanians and Bulgarians has been coming to the UK to work over the last seven years.

This chapter and the next set out what we know about the profile of these migrants and the impacts of their movement, drawing on existing literature, quantitative data and case study interviews with a number of Romanians and Bulgarians currently living in the UK. These do not represent the experience of all A2 migrants, but we hope that they will provide a better insight into the lives of individuals and communities than can be given by statistics alone.

2.1 Profile of Romanian and Bulgarian migrants in the UK

Information on Romanians and Bulgarians living in the UK is available from the census, the Labour Force Survey, the International Passenger Survey and national insurance number (NINo) registration data. None of these data sources is perfect at capturing migrant groups (see Mulley and Sachrajda 2011). Only limited data on Bulgarians and Romanians is released from the census because of concerns about disclosure, and there is less information about Bulgarian migrants, as they are fewer in number than Romanians. Meanwhile, NINo information gives the number of migrants arriving to work in the UK for the first time but does not tell us how long each worker subsequently stays in the UK for and may undercount those working in the informal economy or who have been trafficked and controlled by gangmasters. This figure also does not capture migrants who have come to the UK to study, but not work, or to be with family members.

4 The MAC is an independent group of experts who advise the government on migration. See http://www.ukba.homeoffice.gov.uk/aboutus/workingwithus/indbodies/mac/ for more information.
As figure 2.1 shows, in each year since Romania and Bulgaria joined the EU, around 22,000 Romanians and 14,000 Bulgarians have been granted a NINo in the UK.

![Figure 2.1](Image)

Source: Department for Work and Pensions 2013

The Annual Population Survey registered 141,000 Romanians and Bulgarians in the UK in 2011 (ONS 2012a); this represents a rise of 101,000 people since 2007 (Home Affairs Committee 2008). As there were around 160,000 NINo registrations in this period, we can broadly estimate that over a third of all migrants who had arrived during this period have already returned home. These are significant numbers, but also suggest that a fair amount of inward migration from these countries has been circular and temporary.

Current levels of net migration are not far off some of the predictions that have been made about levels of A2 migration after 2014. For example, the Migration Matters Trust believes that net migration from Romania and Bulgaria to the UK will average 20,000 or less per year over the period 2014–2019 (Migration Matters Trust 2013). Although these estimates are very approximate, it appears from the figures that we have been seeing migration at close to this scale since accession.

The pressure group Migration Watch predicts that net migration from Romania and Bulgaria will run at 50,000 every year in the five years after transitional controls are removed (Migration Watch 2013). According to current trends, for net migration to grow by 250,000 over five years around 400,000 migrants would need to come to the UK over this time. This would be approximately 1.4 per cent of the population of Romania and Bulgaria.

The 2012 Annual Population Survey identified 101,000 people born in Romania and 57,000 people born in Bulgaria living in the UK. This compares with almost 1 million Romanians in Italy (Istat 2011). As figure 2.2 shows, migrants from both countries are concentrated in London: 56 per cent of people born in Romania and 60 per cent of people born in Bulgaria live in the capital. The census records that Romanians are concentrated in particular boroughs such as Brent (6,182), Newham (4,816), Harrow (4,784), Barnet (4,475) and Waltham Forest (4,291) (ONS 2012b).
To date, the settlement pattern of Romanian and Bulgarian migrants has differed from that of migrants from countries that joined the EU in 2004. A8 migrants were geographically dispersed around the UK, including in regions in which international immigration had historically been low. While this meant a more even spread in terms of numbers, many areas were not equipped to cope with any level of migration and lacked basic translation services or support (Vargas-Silva 2011a). By contrast, Romanian and Bulgarian migrants have settled in areas with significant existing migrant populations. However, this may change when A2 migrants have the same access to the labour market as A8 migrants did in 2004 and have more scope to move in search of employment.

Migrants from Romania and Bulgaria are generally young, skilled workers and are concentrated in London and the south east. The majority of migrants from Romania are of working age: 82 per cent are aged between 20 and 65, and 69 per cent are aged between 20 and 39. A slightly higher proportion of migrants from Romania are male (52 per cent) than are female (48 per cent). Heather Rolfe and her colleagues have found that 44 per cent of Bulgarians applying for a national insurance number in 2009 were under the age of 24 and 81 per cent were under 34 (Rolfe et al 2013).

Migrant skill level is not well recorded in the UK Labour Force Survey. However, data from the European Labour Force Survey suggests that 60 per cent of Bulgarian and Romanian workers coming to the UK have an ‘intermediate’ level qualification and an additional 18 per cent have a ‘high’ level educational qualification (Rolfe et al 2013). In addition, many Romanian migrants self-report a high level of English. Of respondents who gave ‘Romanian’ as their main language in the census 82 per cent stated that they ‘can speak English very well or well’.7

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7 These figures are based on the number of people in the census who give ‘Romanian’ as their main language. The number of people who give ‘Romanian’ as their main language in the census corresponds quite closely with the number who say they have a Romanian passport (67,586 say that their main language is Romanian and 73,208 say they have a Romanian passport). Data is unavailable for people who give ‘Bulgarian’ as their main language.
Alex’s story: Profile of a Romanian worker, 29, in the UK financial services sector

“I moved to the UK from Romania in the summer of 2007 to do a master’s degree at UCL. Before I finished, I was accepted onto a graduate scheme in the City. I’ve worked within the financial sector for the last five years.

“I chose the UK to study because of the diversity and quality of the education. Studying in the UK opens a lot of doors for you, both here and in Romania. I stayed to work in London because the opportunities were so much greater. London is a global centre for financial services and no other city has the range and diversity of jobs. It’s also quite close to home. If I had chosen to work in the US, I couldn’t visit my family and friends as often.

“When I first applied for this job it was complicated. I had to persuade them I was a legal worker! It was a lengthy process but since then things have become more straightforward. My company offers a good working environment and a good package of benefits, including private health insurance. I haven’t had to really use a lot of public services.

“I find life in London easy – whether it is services or transport or work, things just flow. Things in Romania are not so easy. To access a service you need to go to many different people, sometimes you have to incentivise someone. Things here work. I’m happy to stay here for the medium term but I think I would like to return to Romania in the future. There has been positive change in Romania over the last five years – I see it when I go back and visit. I hope there will be a point in the future where it would be possible to have a decent life there similar to the UK.

“I didn’t really know anyone when I moved here but the student environment meant it was easy to make friends. I’m a social person. But I don’t have a lot of British friends – I thought I would but it’s actually been really difficult to get to know local people here. You can’t just get into close relationships to local people like you can in Romania. I know a lot of Romanians in London. There are a lot in the finance sector, at my bank alone there are at least 40 of us.

“I am aware of all the negative media coverage of Romanians at the moment. It doesn’t bother me because I don’t identify with the segment of Romanians portrayed in the local news. I don’t think I’ve faced any discrimination in the UK. I don’t think there will be much change in the number of immigrants here – Romanians who really wanted to come and work here already have – whether in a bar or a bank. I have spoken to people in high skilled jobs in Romania who say they wouldn’t be tempted towards coming to the UK. They are put off by the negative media coverage. I don’t condemn the UK for wanting to protect themselves from illegal immigrants or immigrants with a detrimental effect for the UK. But these are a tiny minority of people. There is a considerable number of Romanians living in the UK who bring a positive contribution to the society but who do not really get into the media’s attention.’

Alex was interviewed by IPPR in November 2013.
Bulgarian and Romanian workers are currently split between high skilled and low skilled work. The number of Bulgarian and Romanian migrants employed in skilled occupations is higher than that of A8 migrants: 26 per cent of A2 migrants are in skilled occupations, compared to only 15 per cent of A8 migrants (Kauser 2011). These include more than 4,000 doctors and nurses from Romania alone (Morse 2013). Overall, workers are concentrated in four sectors: hospitality, cleaning services, construction and trade (Rolfe et al 2013). Construction is particularly popular: 8 per cent of construction workers on the Olympic park were Romanian. A2 migrants also show higher rates of self-employment than other migrants from eastern Europe, which is probably the result of current restrictions on their employment. There is a process of down-skilling among migrants from all accession countries. The European Commission estimates that, on average, about 30 per cent of Romanian and Bulgarian migrants in the EU perform jobs well below their education or skill level (Holland et al 2012).

A small number of migrants from Romania and Bulgaria have come to the UK to study. During the academic year 2011 to 2012, 5,915 students from Romania and 4,615 students from Bulgaria were studying at a UK higher education institution (HESA 2013). The numbers attending a UK university rose by around a quarter from 2010–2011 to 2011–2012.

**Ovidius’s story: Profile of a Romanian student, 28, studying in the UK**

‘I moved from Romania to the UK in September 2012 and am currently part way through a course in advertising and marketing communications at the University of Bedfordshire. This is a two-year course with the opportunity to do a one-year work placement.

‘I decided to study in the UK for a number of reasons. Compared to Britain, the Romanian educational system is uncompetitive and cannot give me the skills I need in order to pursue my career goals. British universities are well respected, and studying here also gives me the opportunity to improve my English, which I speak as a second language.

‘However, moving away from Romania for the first time was not easy. I arrived here only knowing one person, and although I was able to stay with this acquaintance while I was looking for a place to rent, I found it very difficult at first learning how things worked in a very different country. I asked a lot of questions to figure things out. I have made a small number of good friends through my university course and volunteer work, but when I came here, everything did not fit with my way of seeing the UK. The cultural aspects of living in the UK were a bit difficult, but not as hard as the bureaucratic part.

‘I signed up for a walk-in clinic near the university, but I haven’t registered with a GP and didn’t know that I could access healthcare services through the NHS. I bought my own flu medication when I was unwell last winter.

‘I also found the process of getting a national insurance number difficult. It was hard to understand the requirements and took a long time to get the necessary documents. But I finally got my papers in June 2013. I worked in a leisure centre over the summer and am now working part time in a café. I like the working culture in British-owned businesses.'
‘I’ve heard the negative stories about Romanians in the media, and although I haven’t experienced discrimination myself, there are lots of stereotypes about people from my country all coming here to steal. I know there are some people who access services that they shouldn’t, but this doesn’t reflect my attitude to living in the UK. I’m paying taxes here and not back home. I’m happy with that. And in a way I am a small part of the overall taxation system here, and I feel proud about that.

‘I would consider staying on for work or further study in the UK if there was an opportunity to do so, or if I meet someone, but would equally happy to move somewhere else in Europe. I think that more Romanians should find the courage to benefit from the possibilities to expand horizons and develop new skills that EU free movement offers.

‘I feel that the British authorities could be more open about the services that EU citizens are entitled to if they work hard and are prepared to contribute, but I am grateful for the opportunities I have had here and feel good about my time in the UK so far.’

Ovidius was interviewed by IPPR in October 2013.

2.2 Roma migration from Romania and Bulgaria

Like many central and eastern European countries, Romania and Bulgaria have a significant Roma population. According to both countries’ 2011 censuses, just over 3 per cent of the Romanian population (Institutul National de Statistica 2011) and 5 per cent of the Bulgarian population (National Statistical Institute: Republic of Bulgaria 2011) describe themselves as Roma (Nenkova 2013). This could be under-counting; other estimates put the combined total population of Roma in both countries at closer to 2.5 million (Council of Europe 2010). Roma people are significantly excluded in both countries, with below average employment, assets and education levels (Amnesty International 2011) and as a result they may have different migration patterns from other Romanian and Bulgarian citizens.

Roma migration to the UK from Romania and Bulgaria first came to the attention of the authorities in the 1990s, when a small number arrived to seek asylum in the UK. Most of these claims were unsuccessful (Horton and Grayson 2008). In the two years leading up to the accession of the A8 countries in 2004 there were almost 100 per cent refusal rates for all citizens applying for asylum from the Czech Republic, Poland and Romania, and a significant increase in the detention and removal of Roma applicants from all EU accession countries (Council of Europe 2010). Recent research by the University of Salford has placed the current population of Roma migrants in the UK from all countries in central and eastern Europe (including Slovakia, the Czech Republic and Hungary) at 197,000 (Brown et al 2013). This estimate is much higher than previous estimates of 50,000 to 100,000. The study acknowledges that this estimate has a significant margin of error but concludes that it is ‘conservative’.

Roma migration is still perceived as radically different to migration by other groups, but the evidence on this is mixed. Some research has found a stronger interest in migration among those who identify themselves as Roma (Belcheva 2011) but other studies have
contested this (see Rolfe et al. 2013); for example, both Roma and non-Roma Bulgarians identify employment as the main reason for choosing to travel abroad (Angelov and Vankova 2011). However, some aspects of migration do appear to be different. Discrimination and poor living standards are key drivers of migration among Roma people. A survey published by the European Commission found that poverty and racism are the major factors behind outward migration among this community (European Union Agency for Fundamental Rights 2009). Migration patterns are also different. Research in Bulgaria has found that as a whole, migration among the Bulgarian Roma community is more temporary and circular, focusing on destinations like Greece that are closer to Bulgaria, can be reached cheaply and offer opportunities for seasonal employment (Angelov and Vankova 2011).

Little is known about migration by Roma people between these countries and the UK. The available evidence suggests that the history of asylum seeking or at least of migration driven by ‘push’ rather than ‘pull’ factors has meant that some Roma migrants to the UK have a more complex migration history than other migrants from central and eastern Europe. For example, some Roma families have spent periods living in other European countries as well as the UK and may be more likely to settle for a relatively long time, or permanently. This can produce distinct challenges in areas like English language skills and children’s schooling (Brown et al. 2013). The history of discrimination, marginalisation and poverty among Roma also affects their ability to migrate independently, and can lead to particular vulnerability to human trafficking and exploitation (Chandran et al. 2012).

At the moment, it is not possible to reach firm conclusions about the number of people who are likely to come to the UK from Roma communities in Romania and Bulgaria once transitional controls are lifted, or the impact that this migration is likely to have. It is also important not to make a policy distinction between ‘Roma’ issues and the wider issues that new migrants face. Many Roma migrants to the UK will be indistinguishable from other migrants from Romania and Bulgaria. Where problems do arise, it will be more productive to look at the social and economic circumstances and background, rather than at racial identity. Importantly, instances of human trafficking or of migrant exploitation affecting this group need to be recognised as a criminal problem, rather than an immigration problem, and tackled robustly. We return to this in the next chapter, on policy challenges.
3. THE IMPACTS OF ROMANIAN AND BULGARIAN MIGRATION TO THE UK

Poor planning and alarmist rhetoric on Romanian and Bulgarian migration have brought us to a point where on the eve of transitional controls ending, some people are still arguing that this should be prevented. In the introduction to this paper we argued that it is legitimate for policymakers and the public to be concerned about the scale of A2 immigration to the UK after restrictions are lifted, and to look for ways of reforming the way that free movement regulations are applied. However, the government has taken the wrong approach. Rather than using the transitional control period to look at how to fairly manage the impacts of new flows from the EU, it has panicked and rushed through last minute measures that are unlikely to significantly affect the scale of A2 migration.

This chapter looks in more details at the challenges and opportunities that may arise after Romanians and Bulgarians are able to fully exercise their free movement rights in the UK. It particularly considers the labour market and fiscal impacts, implications for housing and key public services, and the potential effects on communities and new migrants themselves. As a result, it highlights issues that the government should focus on to ensure that European free movement works fairly for everyone in the UK, whether or not they were born here.

3.1 Public finances and the labour market

Much of the debate about immigration to the UK has focused on its impacts on public finances and the labour market. This is unsurprising, given how many people move to the UK in order to take up or look for employment. In the year ending December 2012, around 36 per cent of all immigration to the UK was for work-related reasons (with a similar proportion coming to study and the rest to join family or for other reasons) (ONS 2013b). Concerns have focused on the increased competition for jobs and the downward pressure on wages. There are also worries that migrants are moving to the UK to take advantage of the national welfare system.

While the increased pace and scale of immigration over the past decade has transformed the British economy in many ways, evidence suggests that overall, these flows have been economically beneficial. This is particularly true of migration from within the European Economic Area (EEA), and from the A8 and A2 accession countries. A8 migrants are younger than the average Briton – 85 per cent are under the age of 40, and more than half are younger than 30 (Springford 2013). They are also more likely to be employed than other groups of immigrants as well as those born in the UK. Data from 2012 shows the employment rate for men born in A8 countries as being 88 per cent, significantly higher than the 76 per cent recorded for UK-born men (A8-born women are slightly more likely to be employed than UK-born women, although the difference is not as pronounced) (Rienzo 2013).

The current profile of Romanians and Bulgarians in the UK is very similar; A2 migrants are generally younger and more likely to be in employment than the national average (Portes 2013). This has undoubtedly been shaped by the transitional controls, which have restricted the entry of those without jobs or who are unable to support themselves financially. However, there is little reason to think that the situation will change dramatically when restrictions are removed. Previous research about A2 migration to other countries in the EU that have already opened their labour markets to Romanian and Bulgarian citizens suggest that most of them are searching for employment. The majority of those who choose to move to the UK in 2014 will be actively looking for work and the opportunity to improve their own lives and those of their families.
The many column inches and political speeches that have been devoted to the issue of ‘benefit tourism’ recently show that this is not well understood. Home secretary Theresa May has repeatedly called for reforms to EU free movement laws in order to curb abuses by those who travel to the UK to claim benefits rather than to work.

At the end of November 2013, the prime minister announced a series of reforms intended to tackle this problem, including provisions so that:

- no newly arrived EU jobseeker will be able to claim housing benefit
- no EU migrant will be entitled to out-of-work benefits for the first three months and from January 2014, no EU migrant will be able to claim jobseeker’s allowance for more than a maximum of six months unless they can prove that they have a genuine prospect of employment
- a new minimum-earnings threshold will be introduced before benefits such as income support can be claimed.

It is not necessarily wrong to tighten restrictions in these areas, and the issue of entitlement to benefits for EU migrants is one that we will return to in a future policy paper. However, it is important that this is done in a proportional and considered way, based on evidence of a problem, rather than as a kneejerk reaction to media concerns. Although the Home Office has stated that it does not collect information on how many EU citizens resident in the UK claim welfare payments, the Department for Work and Pensions holds data showing the percentage of foreign nationals claiming out of work benefits within six months of registering for a national insurance number. This has not yet been broken down for EU nationals, but the numbers are likely to be very low (Portes 2013).

The data that does exist suggests that European migrants as a group are actually net contributors to the public purse. Recent research conducted by University College London found that between 2001 and 2011, EEA migrants paid 34 per cent more in taxes than they received in benefits (Dustmann and Frattini 2013). This compares positively with both UK-born citizens and migrants from outside the EEA (who receive more in benefits than they contribute in taxes overall), and is striking in a period where the UK has experienced a sustained budget deficit. The same study also found that EEA migrants are less likely to be drawing on state credit or living in social housing than these other groups. It is reasonable to assume that the same will apply to Romanian and Bulgarian citizens moving to the UK for work after January 2014.

The future impact of A2 migration on jobs and wages is less clear. The majority of research has found that immigration from the EU as a whole and from A8 countries since 2004 has made little or no difference to the average wages or unemployment levels of Britons (see Migration Advisory Committee 2012 and Springford 2013). Highly skilled migrants have generally complemented rather than substituted for local workers, and the British labour market has shown a great deal of flexibility in terms of accommodating the large numbers of Europeans coming to work in skilled trades and in low skilled manufacturing, construction and services jobs. However, aggregates can often hide pressures on particular sectors and areas, so it is important to think about where Romanian and Bulgarian workers are likely to be concentrated in coming years.

The transitional controls in place over the last seven years have led Romanians and Bulgarians in the UK to cluster at the high and low ends of the labour market. The Romanian embassy estimates that there are more than 4,000 Romanian doctors and nurses in the UK. Over 10,000 Romanians and Bulgarians study in UK universities.
A substantial number of entrepreneurs have come from A2 and other eastern European countries to start businesses in the UK, attracted by its position as a financial and entrepreneurial hub (Williams-Grut 2013). Others are working in the finance and banking sectors. Large numbers have also come for seasonal work in agriculture or food processing. In its report on the Seasonal Agricultural Workers Scheme (which has been open to up to 21,250 A2 citizens a year since 2008), the Migration Advisory Committee concluded that the scheme was a success both for growers, who were able to draw on an efficient tied workforce (with knock-on benefits for supermarkets and consumers), and for the people working on it, who received reasonable wages – and that it had not displaced British workers either (Migration Advisory Committee 2013).

These labour migration patterns will not change immediately on 1 January 2014. Highly skilled migrants and entrepreneurs from Romania and Bulgaria will continue to move to the UK – and to other European countries lifting transitional controls at the same time – setting up businesses that may create jobs for British workers. It is also thought that A2 workers will keep working in the agricultural sector, at least initially. Some may return to work for growers that have employed them in the past, and others may see this work as a first step into other jobs in the British labour market. Operators usually help their workers to get a national insurance number and open a bank account (Migration Advisory Committee 2013). However, removing restrictions will have an impact in the medium to longer term, as more A2 migrants move into the services sector and away from jobs that offer wages and working conditions that most British workers are unwilling to accept (Anderson 2013).

There are a few specific challenges linked to A2 migration that the government should be doing more to address. The first is preparing for the shortages that may occur in sectors that will no longer receive a predictable supply of tied labour coming from Romania and Bulgaria. In particular the UK agriculture, forestry and fishing sectors have traditionally found it relatively hard to find workers with the appropriate skills (Breuer 2012).

The government has justified closing the Seasonal Agricultural Workers Scheme with the argument that with high unemployment in the UK and the EEA, there should be no need to bring in additional workers from outside Europe. It has also supported a pilot programme designed to encourage British workers to take up jobs in immigrant-intensive sectors: HOPS Labour Solutions Ltd and its partners have run a scheme that will offer training and a guaranteed job in horticulture for 200 workers in its first year (Migration Advisory Committee 2013). It is too soon to tell whether this will be successful, although anecdotal evidence suggests that far fewer people have taken it up than was originally hoped. In the longer term, improving wages and conditions in these sectors should be prioritised as a way of making jobs that tend to be filled by seasonal migrant workers more appealing to the native workforce. However, short-term employment shortages in these sectors will need to be carefully monitored. The UK’s agricultural sector relies on having a responsive workforce able to work for short periods at peak times, and the government should be prepared to reconsider its decision to close seasonal work schemes if it cannot attract British workers into these jobs.

Second, new migrants from Roma communities in Romania and Bulgaria may face particular difficulties. Roma people have much lower employment rates than people from other population groups, with the European Commission estimating that only one in three Roma adults is employed across Europe. However, the UK has failed to develop a comprehensive strategy for the particular issues facing Roma people, lumping them in with
Britain’s population of Gypsies and Irish Travellers instead. The government’s Ethnic Minority Advisory Group has not yet appointed a Roma representative, and little funding has been solicited from the EU to implement Roma integration strategies, even though this is an issue that the European Social Fund is explicitly designed to address (Townsend 2013).

New research showing that the UK’s Roma population is larger than official estimates suggest – coupled with the increasingly hostile public debate about this issue – makes it imperative for the government to coordinate more effectively with community support groups and European partners to implement measures that will help Roma citizens to overcome structural barriers to gaining employment and reduce their need to access welfare benefits. We return to this issue in the section 3.5.

**Key findings**

- A2 migrants do not represent an economic burden to the UK overall. They tend to have a higher rate of employment than UK-born citizens and other migrants, are more likely to be paying taxes and are less likely to be accessing welfare benefits.
- Romanian and Bulgarian migrants have been concentrated in high-skill jobs and seasonal agricultural work over the past seven years. While this pattern will not change immediately, their employment patterns are likely to shift and look more like those of their A8 counterparts once they have full access to the labour market.
- Roma migrants (from Romania, Bulgaria and elsewhere) often face specific challenges accessing the labour market. All economic migrants from the EU are required to be working or actively looking for a job if they want to live in the UK, and the government is right to require those who are not doing so to leave. However, it should also acknowledge the entrenched discrimination faced by particular groups such as the Roma and support a scaling up of local examples of good practice in promoting the economic (and social) inclusion of those migrants who wish to work and contribute.

### 3.2 Housing

The relationship between immigration and housing has come under increased scrutiny as the challenge of ensuring access to decent, affordable and secure homes has risen up the UK political agenda. Some research has suggested that the economic benefits of immigration could be significantly offset by its impact on housing (see House of Lords Select Committee on Economic Affairs 2008 and Springford 2013), making this a key consideration in the debate about future migration flows and policies.

The impact that new migration from Romania and Bulgaria has on housing will depend on a range of factors. These include the rate of permanent settlement and family formation as well as the locations where migrants settle. An influx of people who intend to stay in the UK for a period can increase pressures in areas where there are already shortages of housing stock. However, a critical lesson from a decade of A8 migration is that high levels of temporary migration can affect an area as much as permanent migration.

The issues caused by migration tend to be a visible symptom of wider problems in the housing sector rather than the primary causes. Housing undersupply dates back long before net migration reached today’s levels. Even reducing net migration to zero would fail to address the mismatch between housing need and housing supply.
As Alex Morton has observed:

‘The populist knee-jerk response is that our housing crisis is down to immigration. But this is not true...Between 2001 and 2011 the UK’s population grew by 2.1 million due to net migration. Using the 2011 census data if these households in the long term settle at 2.4 people per household, in line with the wider population, this would mean an additional 87,500 homes a year, or less than a third of the housing need. In addition, this is the minimum we need. If we want to try to make housing more affordable and reduce rents over time we need to build more than this. In addition, there is a major backlog of under provision of housing.’

Morton 2013

The government’s latest estimates suggest that England needs to build 290,500 homes a year just to keep pace with demand (Wilson 2010). However, even at the height of the last credit bubble in 2007, England built an annual total of just 177,000 homes. By 2012, this had slumped to 115,000 (DCLG 2013a). As a result, the backlog of housing need is estimated to be around 2 million households (Bramley et al 2010).

Immigration affects different parts of the housing market to different degrees. Despite the well-publicised concerns, its impact on social housing is minimal: controlling for demographic factors, migrants are 28 per cent less likely to live in social housing than British born residents (Dustmann et al 2010). A review in 2009 found ‘no evidence’ that social housing allocations favour migrants over UK citizens (Rutter and Latorre 2009).

The impact of new waves of migration is much greater on the private sector. Analysis of the Labour Force Survey shows that three quarters of migrants who have been in the UK for a maximum of five years live in the private rented sector (Vargas-Silva 2011b). This pattern seems to have been particularly true for migrants from the post-2004 accession countries (Green et al 2008; Phillimore et al 2008; Perry 2012). Migrants from A8 and A2 countries have tended to stay in the lower end of the private rented market (Robinson 2013). This may be because they cannot afford a deposit or do not have the necessary references and identification required by many letting agents and landlords (Phillimore et al 2008). Alternatively they may deliberately have opted for the cheapest accommodation available in order to save as much money as possible.

These trends have had a number of effects on local housing over the past decade. Migrants can displace others from the private rented sector as they offer landlords certain advantages (Perry 2012). For example, they are often willing to tolerate lower standards of accommodation and overcrowding (Rugg and Rhodes 2008). High levels of net immigration can also skew local housing markets (Whitehead 2012). Greater demand for private housing can keep house prices buoyant, which can reduce prospective first-time buyers’ opportunities (Institute of Community Cohesion 2007). It can also remove the incentives to improve housing quality, leading to a growth in sub-standard or unsafe accommodation for rent (Green et al 2008, Phillimore et al 2008).

The impact of further A2 migration on housing demand will depend on where new arrivals settle. To date, Romanian and Bulgarian migrants have overwhelmingly settled in the south and east of England, areas which are already experiencing substantial housing shortages (Schmuecker 2011). On the other hand, A8 migrants are more widely dispersed across the UK, including in areas of low housing demand, and the new inflow may follow this pattern. In fact, migration from EU accession countries appears to have had a positive...
impact in areas of low housing demand and prevented some areas from deteriorating (Pemberton 2009).

The experience of A8 migration shows that it is not only net inflow that affects housing markets. Temporary migrants use housing less intensively and add little to overall housing demand. However, this can lead to high concentrations of overcrowded housing with rapid tenant turnover (Whitehead 2012). For example, the number of houses of multiple occupancy in Thetford in Norfolk rose from 40 to 400 over four years in response to A8 migration (HAFT 2012). This sudden large influx of new people can cause tensions (for instance, if new arrivals do not understand the local rubbish disposal rules) and can affect the relationships in a neighbourhood.

While immigration does impact on housing, there is much more that local and national government can and should do to meet the specific challenges of new migration from Romania and Bulgaria. There are local and national provisions already in place. For example, the Localism Act requires local areas to allocate housing to those with a strong connection to the area (Parliament of the United Kingdom 2011). These will all but prevent newly arrived migrants from accessing social housing. Some local councils are going further, tightening eligibility rules in preparation for anticipated flows from A2 countries (Ballinger 2013).

While it is important that allocation rules are fairly determined, most migrants live in the private rented sector when they first come to the UK. There needs to be an equivalent policy response here. To date, the government has been unwilling to increase regulation of the private rented sector (DCLG 2013b). The provision to require all landlords to check tenants’ immigration status in the current Immigration Bill is the first regulation introduced in this area by the Coalition government, but will have no impact on (legal) migration flows from Romania and Bulgaria.

The proposals in the 2013 Immigration Bill indicate that the government is not opposed to regulating the private rented sector further. A priority should be to give local authorities regulatory powers to control the numbers of short-term private-rented lets available in their areas, and greater oversight to ensure that existing health and fire safety regulations are properly enforced. Further action on these issues would mitigate the impact of immigration and address some of the problems within the sector that have negative impacts on migrants and local communities.

Key findings
• Future migration to the UK from Bulgaria and Romania is likely to place added pressure on the lower-end of the private rented sector, particularly in the areas of London and the south east where most Romanian and Bulgarian migrants currently live and where housing is already in high demand.
• The impacts of migration at a local level will depend on the existing housing supply and the characteristics of local housing markets. Immigration is currently responsible for a significant proportion of overall housing demand, but the UK’s housing problems are primarily the result of an inadequate housing supply that predates current levels of net migration.
• The government has taken action to ensure that migrants cannot access social housing, but has done little to ensure that the private rented sector can withstand additional pressure.
• Urgent action is needed to respond effectively to the UK’s wider housing crisis and to ensure that local areas have the powers and resources to manage new demand.
3.3 Public services

The relationship between immigration and public services is complex. Like every other citizen, migrants are users of these services, providers of services (as employees) and funders (through the taxes and other charges that they pay). However, the overall impact depends very much on the type of migration and the length of time that people stay, as well as on where they end up living.

For example, migrants with children may place additional demands on the education system at the outset, but those children are more likely to pay back into the system as they grow older. Conversely, while some migrants make very little use of health and social care services in the short term, they are likely to draw more on these services in later life if they decide to stay on long-term or permanently. The ‘geography of migration’ also matters, since migrants tend to cluster in larger urban centres rather than dispersing evenly around the country. This may ease pressures in areas where there are shortages of health or social care workers, but in other cases it can place a burden on translation services, or on schools that see a rapid increase or high turnover in pupil numbers.

In the UK, the role of migrants in providing essential services has long been recognised. In a poll conducted earlier in 2013, more than four fifths of respondents said that they or someone in their family had received NHS treatment from someone born abroad (Ashcroft 2013). The contribution made by migrant employees in the health sector is often mentioned when people are asked about the benefits of immigration. Bulgarians, Romanians and other European migrants work in the UK as doctors, nurses and teachers, and the valuable contribution that these workers make needs to be highlighted far more frequently by politicians if the debate about European migration is to be framed in more positive terms.

However, debates about migrant use and funding of public services are more contentious. In one recent survey 85 per cent of respondents answered ‘yes’ when asked if immigration had put ‘too much pressure on schools, hospitals and housing’ (Slack and Doyle 2013). As we have already shown, perceptions of the pressure on services are not always justified; but there is certainly no doubt that significant levels of immigration can place additional demands on key public services such as education, health and policing if they are not anticipated and properly planned for, especially at a time of spending cuts. Admittedly, it is challenging to isolate the impacts of A2 migration on public services or to predict what may happen after restrictions are lifted in 2014, particularly given the lack of official data on the nationality of service users. However, there is little evidence of any significant planning at national or local level for dealing with the consequences of future A2 migration flows.

Under the previous Labour government, a Migration Impacts Fund (MIF) was established in 2008 to help local authorities deal with unexpected pressure on housing, schools and hospitals created by migration. It was funded by a £50 levy on visa fees for non-EEA migrants, so did not represent a cost to the taxpayer (Gower 2010). Councils, police, primary care trusts and voluntary bodies could all apply to fund projects directly targeted at managing pressures on public services, in order to benefit the settled community. These projects included English as a second language services, local authority enforcement activities to deal with private rented sector landlords, campaigns to increase GP registration to avoid unnecessary use of emergency services, and support teacher provision.
This fund was quietly scrapped by the Coalition government in 2010 (although the levy was not removed from visa fees) on the grounds that these challenges were better dealt with by reducing the overall number of migrants coming to the UK, and that this would be achieved through its target of reducing net migration to the ‘tens of thousands’ per year (Wintour 2010). Yet a reduction of overall numbers would still do little to smooth the path for communities that do receive a significant influx of new migrants, and is a poor substitute for a proper integration strategy.

**Education**

Romanian and Bulgarian citizens currently in the UK are younger and statistically less likely to either have children of school age or to need intensive support from health or social care services (Poppleton et al 2013). As noted above, they have also tended to settle in London and the south east, but this may change once transitional controls are removed.

The location and settlement patterns of A2 migration will greatly determine the impact on the UK’s education system. Identifying the geographic dispersal of children with a migrant background is difficult, although the school census which feeds into the national pupil database does record the age, ethnicity, first language and home postcode of children of all ages. Data on language has been used as a proxy to locate Polish children in the UK, and future A2 migrants may be picked up in this survey as well.

Migration from Romania and Bulgaria may increase the demand for school places in particular areas that see larger inflows, and people who do not settle in one area, or move from one to another, may lead to higher levels of pupil mobility and pupil turnover (although this also applies to British citizens who move around the UK). For example, the leader of Kent County Council has recently expressed concerns about the educational costs that may result from new migration from Eastern Europe; an (unreleased) report commissioned by the council estimated that 390 additional school places would be required by the children of A2 migrants, and that this would increase pressures on already stretched budgets (Francis 2013). Local authorities in areas that expect to see significant numbers of new arrivals after 2014, such as the London boroughs where Romanians and Bulgarians are currently concentrated, should be conducting similar assessments to anticipate and plan for where additional school places will be needed.

As Heather Rolfe and her colleagues observe, Bulgarian and Romanian communities in the UK might establish their own independent mainstream schools, which would reduce any additional demands on the state education system (Rolfe et al 2013). At the moment, the Romanian and Bulgarian embassy websites list a number of community schools that have been set up to provide supplementary education in native language and culture (four Romanian schools in London and Nottingham and six Bulgarian schools in London, Essex, Surrey and Kent) but these operate outside normal school hours so do not affect the need for school places. From an integration perspective, it is also essential that new arrivals attend mainstream schools where they have the chance to mix with others.

Overall, data on pupil performance has found that there is a positive relationship between the proportion of students who speak English as an additional language (which includes migrants and the children of migrants) and levels of achievement. This is particularly true of London, which has seen the highest levels of inwards migration (George et al 2011). A recent LSE study found evidence that the migration of A8 families was linked to a rise in educational attainment in mathematics in Catholic schools (Geay et al 2012). On the other hand, migrant children sometimes have language or other needs that place demands on schools and can have implications for school and pupil performance as a whole.
Previously, funding from the Ethnic Minority Achievement Grant and the MIF was granted to schools to fund bi-lingual teaching assistants and other language support resources. The withdrawal of these funds has meant that schools must now find money from within their own budgets for this, which anecdotal evidence suggests has created some additional strains. The high (although self-reported) English language abilities of Romanian citizens for whom Romanian is a first language recorded in the 2011 Census suggests that this might not be a major issue for A2 groups. But there will still undoubtedly be some children who require more tailored assistance, potentially including those from Roma families, where school participation rates are lower than average and where English language levels are not always as advanced (Rolfe et al 2013). This suggests the value of reinstating a fund similar to the MIF that could help provide targeted support for schools that experience these challenges.

Health
No permanent residents of the UK have to pay for treatment by a GP or at a hospital. This includes EEA citizens who are habitually resident in the UK and in possession of a European Health Insurance Card. As a result, European migration can place pressures on the health system.

This pressure is currently not as great as some people suggest. Migrants tend to be younger and healthier than the UK population as a whole. As a result, spending per head for this group tends to be significantly lower than for other UK citizens. In 2009 to 2010, migrants in the UK accounted for 10.8 per cent of healthcare spending, although they made up more than 13 per cent of the population. Around a third of this expenditure was for migrants who had arrived in the past 10 years, including those from Europe and particularly from the A8 countries (George et al 2011). Migration from Romania and Bulgaria is unlikely to have had a major effect on the UK health system thus far. However, if and when A2 migration becomes less temporary in nature, these patterns may change, and local authorities will need to track and respond to any shifts.

A number of studies have found that EU migrants have relatively little impact on demand for health services in different parts of the UK, and do not pose a disproportionate burden on them. For example, a review of demand for maternity services by the London Health Observatory found that the majority of ‘additional’ births in London in recent years have involved mothers born in England and Wales and in the rest of the world, but not recent migrants from A8 countries (Klodawski and Fitzpatrick 2008). Another group of researchers have found that A2 and A8 migrants are less likely to be registered with a GP than other more long-standing migrant groups (Collis et al 2010).

Other studies have shown that newer migrants often (although not always) prefer to return to their own country if they need medical treatment. Recent worries about ‘health tourism’ - the phenomenon of people coming to the UK expressly to take advantage of health services - appear to be unfounded when it comes to A8 and A2 migrants, although there will undoubtedly be some isolated examples.

However, there are some specific challenges to do with information and access to healthcare services that need to be addressed. As our own interview with Ovidius (see above) shows, migrants do not always know what health services they are entitled to in the UK. Some migrant workers requiring primary health care services go directly to accident and emergency departments in hospitals rather than seeking treatment from a GP, which would be more appropriate and cost-effective (Rolfe et al 2013).
Language barriers have also created some difficulties. Although NHS Direct does offer a universal language support service, this does not appear to have been well understood or much used, and it has been criticised by some people as an expense the NHS cannot afford at a time of spending cutbacks. While people who wish to live and work long-term in the UK should reasonably be expected to understand and speak English, it is important that everyone is able to access and understand the UK health system – both for their own sakes and for public health reasons. In the short term, interpretation or translation services that relate specifically to emergency healthcare should be maintained, while translation costs could be reduced through hiring more GPs and health support workers who are proficient in the languages spoken by new migrants.

New arrivals from Romania and Bulgaria – and indeed, all European migrants who intend to settle here on a temporary or permanent basis – need to be given clear information about their rights, and the practical processes involved in accessing healthcare. Furthermore, these processes need to be flexible enough to accommodate migrants working in sectors with long hours, such as agriculture or domestic service (as many A2 migrants currently are), where it can be difficult to visit a GP. This might increase the use of these services, but over the long term it will ease the path of integration for new migrants and prevent the waste of time and resources caused by people not using the system properly.

**Crime and policing**

Levels of immigration and crime are often erroneously linked in the public debate. However, immigration can place pressures on police work, by increasing the need for translation services (for victims and witnesses as well as suspects) and the transnational nature of offences.

Areas that saw high levels of A8 migration have reported a number of issues to do with policing and crime. Following the arrival of thousands of migrants from Poland and Lithuania, Cambridgeshire Constabulary spent £800,000 on translation in 2008 alone. Half of this was for communicating with witnesses and victims (Brown 2013) The chief inspector of Cambridgeshire Constabulary at this time, reported an increase in the complexity of crimes and in public nuisances such as drink driving and public drinking (Barkham 2008).

However, the wider picture appears more positive. Research by LSE found that A8 migration was actually linked to a reduction in crime. Researchers found that property crime fell significantly in neighbourhoods that experienced high levels of immigration from eastern Europe over the past 10 years (Bell et al 2013). Rates of violent crime and murder in the UK fell more rapidly between 2003 and 2012 than in any other western European country: a period of relatively high immigration to the UK. EU migrants have higher levels of employment than the settled population. This is thought to drive these trends.

As the number of migrants to the UK from Romania and Bulgaria has increased, the number of Romanians and Bulgarians in police arrest statistics has also grown. However newspaper claims that ‘a third of Romanians’ living in the UK have been held for crimes in the last five years (for instance Doyle 2013) are wildly inaccurate. Since 2008, 27,725 arrests have involved Romanian citizens and 3,781 have involved Bulgarian citizens (Metropolitan Police 2013). The data records the number of arrests made and not the number of arrested individuals; some citizens will have been arrested multiple times over this period.8

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8 As others have pointed out, the quality of these figures is questionable. The data includes records of arrests over the last five years of nationals of countries that ceased to exist decades ago including Indo-China, the Irish Free State, USSR and Persia.
It is true that Romanian citizens are disproportionately reflected in these statistics. The number of arrests of Romanian citizens since 2008 is second only to the number of arrests of Polish citizens (which is a much larger population in the UK) (ONS 2012). As of June 2013, 51 Bulgarians and 608 Romanians were in UK prisons (Ministry of Justice 2013).

Europol has identified 240 organised crime gangs from Romania engaged in pickpocketing and responsible for 90 per cent of credit card fraud across Europe (Metropolitan Police 2013). However Europol believes it is unlikely that removing restrictions on the type of work Romanians and Bulgarians can do in the UK will lead to greater levels of organised crime in the UK, as the increase will be in people coming to work legally.

UK police forces have been proactive in responding to these challenges. The UK has carried out joint operations with police forces in Romania and Bulgaria to address cross border crime, including people trafficking and card fraud (Chandran et al 2012). This year, the Metropolitan Police raised funds from the European Commission to second 10 policemen from Romania to the UK for two years (Camber 2013). The National Crime Agency has also led projects within Europol. Local areas have also responded. For example, the Cambridgeshire police force recruited community support officers from new migrant communities. This helped to build trust with migrants, and made it possible to improve communications and gather more evidence. It also helped the force to cut translation costs by almost half. (Brown 2013). The Metropolitan Police Force has also launched ‘Operation Nexus’ in partnership with the immigration and border directorate. This allows the police to check whether those they arrest are wanted for crimes outside the UK (though the initiative has faced criticism about whether it builds the trust needed with migrant communities).9

The UK has learnt lessons from the post-2004 period in the area of crime and policing. Partnership working between the UK, Romania and Bulgaria is much more developed than in 2004. However, the viability of this work and of future joint investigations and partnership working is threatened by the government’s current plan to opt out of EU police and justice measures. This could affect the UK’s participation in international crime-fighting measures such as the European Arrest Warrant and Europol. Even if the level of organised crime does not rise substantially, these actions seem misjudged at a time when migration between European countries is likely to increase.

Key findings

- The evidence that does exist suggests that in the short to medium term, A2 migrants will not be a burden on education and health systems. On average, they are younger, less likely to have children, and healthier than UK citizens. This may change in future if migration from these countries becomes more permanent.

- In the short term, the need for extra school places and additional usage of NHS services in some areas are likely to be the main consequences for public services of A2 migration.

- Immigration can cause challenges for police forces, although some areas with high levels of A8 migration have seen a drop in crime since 2004. However, there may be increased instances of anti-social behaviour, as the result of more young people who may be unaware of UK laws. Police forces have developed some effective responses to these challenges across the last decade.

9 The initiative allows immigration authorities to collect information from the police to support immigration action against foreign nationals. This includes instances where they have been victims or witnesses to violent crimes but refused to cooperate with police. This may make migrants less willing to report crimes out of fear of the immigration authorities and fear that if they choose to withdraw their testimony they may be subject to removal orders.
• Language barriers may also create challenges for some A2 migrants in terms of their interactions with education, health and police services. Cuts to resources designed to address these issues, such as the MIF, have made it harder to respond to public concerns about immigration’s impacts on public services.

• Lifting transitional controls is unlikely to affect levels of organised crime from Romania and Bulgaria, since the changes involved only affect migrants who come to work.

• Good examples of partnership working have developed between police forces in Romania, Bulgaria and the UK and within Europe. However, the viability of this work is threatened by the government’s current plan to opt out of many EU police and justice measures.

3.4 Migrant vulnerability

While most migrants come to the UK to work hard and to contribute, some will fall on hard times, whether because they have failed to plan properly or as the result of circumstances beyond their control (Centre for Strategy & Evaluation Services 2010). Visible examples of destitution such as rough sleeping or squatting have been identified among A2 migrants, and reports of migrants living in caves, in abandoned buildings and in parks in Westminster have received widespread coverage in the run up to the removal of transitional controls (see Littlejohn 2013).

Media coverage has also highlighted examples of A2 migrants coming to the UK for the purpose of begging, although it is unclear how many people have come with this specific objective (Duffin and Mendick 2013a). The government has recently proposed to implement a 12-month re-entry ban on EU migrants who are deported after being caught begging or sleeping rough. While there are questions about how this will be enforced in practice, it is correct in principle to expect those who exercise their free movement rights to make a positive contribution to the UK, and to face consequences if they are unprepared to do so.

However, a different approach is needed for many migrants who find themselves destitute in the UK as the result of exploitation. For instance, Romania is the most common country of origin among people trafficked to the UK. Out of the 2,255 people referred to the UK Human Trafficking Centre (UKHTC) in 2012, 12 per cent were Romanian. This represents a 26 per cent increase on figures in 2011 (when Romania was also the top country). Trafficking affects both adults and children and men and women (UKHTC 2012). People are known to be trafficked for a range of exploitative work.

Of the total number of cases of sexual exploitation in the UK, a fifth have involved Romanian people, and recent research by the Mayor’s Office for Policing and Crime suggests this is an even larger issue than currently recorded. It identified growing numbers of Romanian women working in street prostitution as well as ‘(police) intelligence that this group of Romanian women and girls are not “working independently” but have

10 Human trafficking refers to the movement and control of people in order to exploit them. Romania is the most prevalent country of origin of “potential victims of trafficking” identified in the UK. This is a term that is used to describe an individual who has been identified as having been trafficked to the UK by a police officer, social worker, health worker or other statutory agent or someone from a small group of specialist NGOs and subsequently referred to the UKHTC for their case to be assessed further. Individuals who have gone through this process and been found to have conclusive grounds that they were trafficked are referred to as simply ‘victims of trafficking’.

11 The UKHTC’s ‘national referral mechanism’ is not well known among front line professionals. As a result many people who are helped out of a situation of exploitation are not referred into this mechanism. In addition, many instances of trafficking remain hidden, or go unrecongnised. Therefore, this figure is widely accepted to be an undercount of the actual number.
been trafficked and are linked to a wider prostitution and potentially begging network in which large cash sums are being generated via exploitation’ (Bindel et al 2013).

Other types of exploitation include ‘forced criminality’. This includes being forced to claim and hand over UK benefits or to take out high interest loans, or being forced to steal or beg. The UKHTC notes that many workers brought to the UK by gangmasters to be exploited in this way resort to ‘survival offending’. This is particularly the case at the moment, since Romanian and Bulgarian migrants have such limited employment options if they do try to leave situations where they are being exploited (UKHTC 2013).

‘Labour exploitation’ was reported by 14 per cent of people describing trafficking experiences to the UKHTC. Our data gathering in this and a previous IPPR project has led us to conclude that the levels of trafficking and exploitation of workers are in fact far higher. Advice centres we interviewed had received multiple reports of people who were brought to the UK with the promise of employment who experienced poor working conditions or no pay. These individuals would not appear in figures for trafficking or even for ‘forced labour’ but the details are worrying. One case brought to the attention of the Romanian embassy in 2013 regarded a worker on the Seasonal Agricultural Workers Scheme who was paid an average of £100 per week for a summer season. Most of this went towards his accommodation and board.

Research shows that the majority of A8 migrants found sleeping rough in the UK were not disadvantaged in their home country. Instead most people became vulnerable only once they had arrived in the UK (Fitzpatrick et al 2012). Common causes included migrants arriving to find that promised work did not exist or needing to escape exploitation and being unable to find alternative work or housing (JRF 2012). Migrants living in “tied” accommodation (where accommodation is provided by the employer) are particularly vulnerable (Audit Commission 2007). Many people’s situations were also linked to, or exacerbated by, the restrictions on their access to benefits before May 2011 (JRF 2012). In 2011, A8 migrants were estimated to make up 28 per cent of the street homeless population in London (Swain 2012). Street homelessness among A8 migrants has also been observed in places outside London such as Peterborough (HACT 2012).

While reporting on these issues has been extensive, it is hard to know how many A2 migrants have been affected. Looking at census figures and the Labour Force Survey it appears that most Romanians and Bulgarians who are already in the UK are economically active and self-supporting. However, it is difficult to establish the exact extent of destitution from large datasets and even if the number is small, the impact can be significant. Not only is this a danger to people’s health and safety, it has impacts on wider neighbourhoods and adjoining properties in terms of standards and safety (Perry 2012). Instances of destitution also reveal wider problems such as limited access to jobs, crime, worker exploitation, domestic violence and housing problems.

Transitional controls on the labour market appear to have contributed to the particular vulnerability of Romanian and Bulgarian migrant workers. There have been cases of employment agencies hiring workers as ‘self-employed’ for roles usually filled by employees. This has occurred in various sectors, but mainly in the construction industry, in care homes, cleaning positions and in hotels and restaurants.

12 Survival offending refers to a situation in which people do not have enough money to buy food or other basic necessities and so end up stealing such items.
Ivelina’s story: Profile of a Bulgarian housekeeper, 53, working in the UK

‘I came to the UK in 2009 and have lived in London ever since. I owned a business in Bulgaria manufacturing clothes and exporting them through Europe. Around this time I had to lay off some staff members and increasingly I felt I was working just to keep going. I started to apply for jobs in Italy – I had some contacts there from work. But the first job offer I received was in the UK.

‘For most of the last four years I’ve worked as an employee as a housekeeper for a large hotel in west London. All of the other housekeeping staff are from European countries – Poland, Bulgaria, the Czech Republic, Romania. I worked for an agency and was required to clean seventeen rooms a day. After a year the contract was changed to a different agency – they required us to clean 28 rooms a day. Then it got even harder. I was accused of stealing something from the hotel – later they acknowledged that I didn’t. Even so – the requirement was on me to prove I hadn’t done anything. I was suspended immediately with no pay. This went on for three months.

‘I sought help through a Bulgarian friend who told me about the Citizens’ Advice Bureau. The Bulgarian embassy, the CAB and another NGO helped me to put a claim into the employment tribunal. The tribunal was so helpful. Just before the trial date the agency settled out of court. Having this process was so important – it really made me think, yes, England is a fair country it is a country where justice can happen.

‘The current employer I work for is fair. My boss is English and she appreciates that we work hard. Apart from this most things are positive, if difficult sometimes. Last year I moved into a new house. I paid rent every month to the landlords’ agent. After six months the landlord came round and claimed we hadn’t paid. Eventually we showed that the money had been paid but kept by the agent but it was pretty serious – he was threatening to throw us out.

‘I would like to stay in the UK, if they don’t expel us! I really don’t understand why we are so unliked. We are good people, we are hard working. I’m not a politician but it’s not good to be portrayed so negatively. Many British people have moved to Bulgaria, I know one who has opened a hotel there. It’s important to support everyone.

‘Sometimes I look back and think – I knew nobody here, I needed to learn the language. I came against the stream – but I succeeded.’

Ivelina was interviewed by IPPR in November 2013.

People in self-employment are particularly open to exploitation as their employers can avoid paying minimum wage and other statutory entitlements such as holiday pay and adequate rest breaks. They have limited redress if their ‘employer’ disappears or refuses to pay them. Anecdotal evidence provided by the Romanian and Bulgarian embassies in the UK suggest that migrants working as au pairs (one of the few employment categories currently open to A2 nationals) are particularly vulnerable to long working hours, abuse and exploitation for limited or no pay. Under transitional controls, A2 migrants have had limited access to benefits. These benefits are a major
source of revenue for crisis support services (such as domestic violence refuges and night shelters). As a result of this, charities have struggled to support A2 migrants through their mainstream services (Briheim-Crookal 2006). Some of these issues will be addressed by the removal of transitional controls. From January 2014, it will be easier for migrants to leave exploitative work and exercise their employment rights in other jobs. Access to particular benefits will ensure that those who fall on hard times can be given short-term support to prevent them becoming trapped in situations of worklessness and homelessness. However, the experience of A8 migrants suggests that exploitation and destitution will not disappear once A2 citizens have full access to the labour market, and it is likely that Romanians and Bulgarians will continue to work in sectors known to suffer from exploitative work practices.

A number of interventions have been made to tackle these issues at a local level (HACT 2012; Young 2010). For example, in Peterborough, a dedicated housing officer was employed from 2008 to address rough sleeping among A8 migrants. This included taking enforcement action against exploitative landlords, providing support for migrants to find alternative employment, joint working with local homelessness charities and closing dangerous encampments. Having a designated point of contact within the council enabled local organisations to coordinate their work on this issue (HACT 2012). It also allowed the council to attract additional funding from DCLG for reconnection support and support from the UKBA (Hebblethwaite 2011, BBC 2011). Funding for this type of work is often time limited and difficult to secure. Similar initiatives that were developed in response to A8 migration13 have seen time limited funding lapse or be cut due to local authority budget reductions (HACT 2012). At a national level, the Home Office offers some support to migrants from non-EU countries to return to their country of origin through assisted voluntary return. However no equivalent service is offered for migrants from within the EU.

Charities have also helped migrants who find themselves in situations of destitution and exploitation14 particularly to return home.15 One such project, Barka, employs workers who can speak community languages to engage with homeless migrants. They help people access support in the UK and work with partner organisations in central and eastern European countries to support people to return home. The project has supported almost 3,000 migrants returning to their country of origin since 2007 (Barka 2013). The projects have been successful in moving migrants from an unsafe life on the streets. However funding is uncertain. In 2013, the London boroughs of Lambeth and the City of London stopped providing funding (LVSC and Trust for London 2013). The support needed goes beyond the return. Without support to reintegrate returnees with institutions in their home country and to support them to meet basic health or housing needs, return can be unsustainable and potentially harmful. Reconnection work takes time. The work is expensive and beyond the reach of voluntary organisations alone.

To date, interventions in this area have focused primarily on addressing the symptoms rather than the causes of vulnerability. There has been work to support migrants to return. However, there is a lack of comparable work to address underlying drivers and

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13 See Peterborough Council, ‘Future of the New Link Service’ http://www.peterborough.gov.uk/community_information/community_cohesion/future_of_the_new_link_service.aspx. According to analysis by HACT (2012), many projects funded under the Migration Impacts Fund (now closed) or Supporting People (now heavily reduced in many local authorities after its ring fence was removed.

14 See for example: http://homeless.org.uk/cee-reconnection#.UqIM4_RdUaE

15 See for example: http://www.thamesreach.org.uk/what-we-do/routes-home/about-routes-home
to scrutinise the exploitative work practices or the agents bringing people to the UK and housing them in poor conditions that can lead to homelessness in the first place (Flynn 2010). This has meant that overall numbers of rough sleepers have remained high. London councils have even reported cases of migrants arriving back in London within a month of being given help to return home (Duffin and Mendick 2013b). The government’s recently announced 12-month ban on re-entry may help address this, although there are questions about how this will be enforced.

Wider UK policy is largely ineffective at preventing trafficking and the exploitation of migrants from Romania and Bulgaria. The UK’s latest strategy on interrupting trafficking is focused on preventing irregular migration from countries outside the EU. The forthcoming Modern Slavery Bill should make it easier to prosecute trafficking networks, but does not introduce any new measures to empower migrants or to curtail the actions of the many unscrupulous employers and landlords.

Meanwhile, certain safeguards have been removed. Despite calls to extend the powers of the Gangmasters Licensing Authority (GLA) to sectors where exploitation is known to occur (such as care and construction), the government has recently announced plans to reduce its remit further (DEFRA 2013). The GLA’s powers of enforcement were reduced in 2011. Employment tribunals are an important recourse for migrants who had been treated unfairly by an employer, as Ivelina’s experiences suggests. However the introduction of an upfront fee and charges at various points of the process in July 2013 has made it significantly harder for employees to lodge a claim. Better enforcement of minimum wage rules and tougher action against unscrupulous employers is needed to combat these problems.

Overall, a more sustainable response would involve the UK working collaboratively and at a European level with sending countries about how best to support people who fall on hard times while living outside their country of origin. There are clear parallels with some of problems facing UK nationals growing older in countries like Spain. Rather than addressing this problem in terms of ‘benefit tourism’, the UK needs to recognise its role as both a sending and receiving country for migrants in need of support and to develop an effective response within Europe.

Key findings
• The numbers of people migrating from Romania and Bulgaria without work or enough funds to support themselves appears to be low. However, problems have been and will be experienced by some A2 migrants, particularly in certain sectors.
• Lessons from A8 migration show that many migrants end up destitute as a result of their time in the UK rather than because they came to the UK to claim benefits or were disadvantaged before they came to the UK.
• Instances of human trafficking between Romania and the UK are worrying. However, it is likely that ending transitional controls will make people from these countries less vulnerable to exploitation in the UK labour market.
• Interventions to date have been time-limited, underfunded and focused on the immediate problem of destitution rather than addressing the underlying drivers. This trend needs to be reversed.
3.5 Community relations and integration

The pace and scale of immigration from the EU in the past decade has transformed communities across the UK. By and large, these new migrants have integrated well. However, there have been some challenges in areas that have seen large inflows. As discussed above, crime levels have dropped in many areas with a concentration of A8 migrants over the past five to 10 years. Tensions have arisen more from the arrival of people who are unaccustomed to British culture and with the way things work at a neighbourhood level (such as when and where to leave rubbish). People already living in the area have also found the traditions of some newcomers disconcerting or threatening, such as the tendency for groups of youth to hang out on the streets after dark.

In recent years, official attempts to promote the inclusion of new migrants have prioritised institutional rather than everyday integration. Stronger English-speaking requirements have been introduced for non-EEA migrants, while citizenship tests and ceremonies have been designed to foster a sense of belonging. However, the emphasis has been on migrants achieving minimum ‘benchmarks’ to signal their commitment to integration rather than a concern about day-to-day interactions within neighbourhoods and workplaces. In any case, most integration initiatives have generally not included migrants from the EU, many of whom move to the UK for a relatively short time and do not apply for formal British citizenship.

The media debate about the removal of transitional controls has focused particularly on the integration of new Roma migrants from Romania and Bulgaria. Although Roma are often erroneously conflated with ‘Romanians’, their background is much more diverse. They have come to the UK from the A8 and other European countries in recent years, often moving to escape prejudice and experiences of discrimination in other countries. As a group, they are frequently stereotyped as being workshy and prone to criminality, even though many migrate to other countries to settle and to work. They are often the targets of exploitation and hostility, which has increased the reluctance of many Roma to open up to outsiders and make an effort to integrate with the communities they move to.

Gigi’s story: Profile of a Roma worker, 29, self-employed in the UK

‘I moved to the UK because I wanted to show my family London. Since I arrived here, I have been studying English, working and looking after my family.

‘There are a number of things I like about living in the UK. I like the small amount of people that I work with, the Indian food and my children’s school. The best of all is London – everything about London. The most challenging thing is some of the English people that don’t like me.

‘I don’t have access to housing. I gave £5,000 cash all at once for my house when I came here because otherwise the agent wouldn’t have let me rent the house.

‘I would say that in general I feel 10 percent integrated. I work with British people and other nationalities, but have experienced discrimination, particularly in the job centre. The restrictions on national insurance numbers made it difficult for me to work here.

‘My plans for the future change every day because situations change every day. I would tell other people to stay at home, and there is a lot of stress.’

Gigi was interviewed by Rachel Humphris in December 2013.
Politicians have been increasingly outspoken about these issues in recent months. Former home secretary David Blunkett recently raised concerns about the large Slovak Roma community in the Page Hall district of Sheffield, arguing that problematic behaviours among this group need to be addressed to avoid further community tensions (Blunkett 2013). Deputy prime minister Nick Clegg followed this intervention with the rather sweeping statement that Roma ‘behave in a way that people find sometimes intimidating, sometimes offensive’ (BBC 2013b).

It is right to expect new migrants from any background to respect British laws and customs, and to address tensions where they arise. Politicians also have a duty to respond to public concerns about the integration of particular groups. But it is vital to do this in a way that avoids criminalising entire communities and that does not drive a further wedge between established residents and newcomers (Griffith 2013). There are some examples of good work that has been done at a local level to promote the integration of Roma migrants. For example, the University of Manchester has been working in partnership with local authority agencies, schools and other public service providers to engage with Roma groups and to secure training and support for Roma youth living in Manchester. The city council reports that this has helped to increase the school attendance rates of Roma children and to tackle the marginalisation of the community as a whole (Matras 2013).

As discussed above, the UK does not have a national strategy for addressing the integration challenges facing Roma people and the communities that receive them, and has made little effort to draw down on the European Social Fund resources available to support work of this kind. Going forward, a more concerted effort should be made to learn from local examples of good practice in the UK and across Europe, and to apply these in areas with significant Roma populations.

Stronger local networks and informal institutions are needed to help all new arrivals – and not just Roma – learn about the reality of daily life in the UK and to create opportunities for improving cultural relations across communities (Griffith 2013). Government cuts in funding for these types of programmes have made this more challenging. Yet a sustained focus on integration is more important than ever in an era of growing public anxiety about the effects of immigration.

Key findings

- While most new migrants integrate well, some challenges do arise from the arrival of newcomers who do not know how life works in the UK and have different cultural practices.
- Most integration efforts to date have focused on the formal requirements of citizenship for migrants from outside the EU. Yet it is important that all those who come to the UK to work hard and contribute to their communities are helped to settle in and understand their rights and responsibilities as residents of the UK.
- This is particularly true for marginalised groups like the Roma, who are the subject of considerable misunderstanding and hostility. Some isolated examples of good local practice exist around the integration of Roma migrants, but these need to be learnt from and applied on a systematic basis.

The recent debate about European migration has been marked by a great deal of fear and hostility. This has been driven by uncertainty about how many people may move to the UK from Romania and Bulgaria when transitional controls are lifted in 2014 and about the potential impacts on jobs, public services and community relations. While many of these concerns are reasonable, the government’s response to them has been inadequate. Last minute announcements about new benefit restrictions and rhetorical interventions about the possibility of extending transitional controls will not have a discernible impact on the number of new arrivals, and have amplified public unease. We need a more measured and practical approach.

4.1 Conclusions
We have drawn three key conclusions from our research.

Conclusion 1: It is likely that patterns of migration from Romania and Bulgaria will be different to those seen after the A8 countries joined the EU in 2004.
- Before 2004, it was very difficult to predict the impacts of migration from the EU’s new accession states. There was no precedent for opening labour markets to countries with very different levels of economic development, although it could have been anticipated that significant numbers would be attracted to the UK. Our highly flexible labour market provides many opportunities for enterprising migrants, and is much easier to access than in other countries with more generous benefit systems but tighter work controls, such as Sweden and Denmark.
- The situation is different now. Romanians and Bulgarians have been able to move to the UK for work since 2007 and the evidence suggests that considerable numbers have already done so. The end of transitional controls is less a case of ‘opening floodgates’ than of loosening pressure valves. More people are likely to show up in the numbers from next year onwards, but this may reflect the fact that A2 citizens who already living here will find it easier to apply for a national insurance number and will shift from a self-employed status into more regular work.
- The fact that other EU states (including Germany, France and the Netherlands) are opening their labour markets at the same time means that the UK is unlikely to see the same scale of A2 migration – proportionally speaking – as it did in 2004.

Conclusion 2: Despite these differences, the impacts of future migration from Romania and Bulgaria will be similar to other flows from eastern Europe.
- There is little to suggest that the impacts of A2 migration will differ qualitatively from those of the A8 flows. Most Romanians and Bulgarians currently in the UK are younger and healthier than the population as a whole, more likely to be in work and paying taxes, and less likely to be drawing on benefits. This will continue unless and until Romanian and Bulgarian migration to the UK becomes less circular and more permanent.
- At present, Romanians and Bulgarians are clustered at the top and bottom of the labour market, and have settled primarily in London and the south east. From January 2014, they will be freer to move around the UK in search of employment, and will have more opportunities to work in the services sector and as skilled tradespeople. Future A2 migration is likely to become more similar to patterns of A8 migration as time passes.
- The challenges that do arise as a result of A2 migration are likely to be linked to pressures in housing, public services and language teaching and translation. There
are also some specific issues that will need to be tackled at both national and local level, particularly to do with the exploitation of workers from these countries, the economic and social inclusion of Roma migrants and the potential for an increase in anti-social behaviour and cultural differences in some communities.

**Conclusion 3:** Romanian and Bulgarian migration remains a source of worry for the public, but this has been exacerbated rather than alleviated by political interventions.

- Although the evidence suggests that Romanian and Bulgarian migration will not place undue pressure on the UK's economy or society, it is clear that people remain worried about future A2 migration flows. Arguing that there is no need for concern because the UK's labour market is flexible enough to cope with new arrivals does not get to the heart of legitimate anxieties about the pressures on public services and changes in local communities.
- Politicians from all parties have spent a lot of time talking about these issues in recent months, but have manifestly failed to reassure many people that the UK is able to cope with – and even prosper from – new arrivals. The Labour party has remained on the defensive over its decision to open labour markets fully to the A8 countries in 2004, while the Coalition, and particularly the Conservative party, has gone on the offensive over the issue of benefits.
- Minor announcements have been made recently about tightening restrictions on access to benefits for EU migrants. However, these measures are either in place already or are unlikely to reduce the number of new arrivals significantly, since the majority of EU migrants are not coming to the UK to live off benefits but rather to work or study.
- Meanwhile, Ukip has ramped up the pressure by suggesting that the solution to the challenges created by the principle of free movement is simply to withdraw entirely from the EU. This is not the stated position of any other mainstream party, but it has emboldened the Eurosceptics within them, and has led to calls to extend transitional restrictions on A2 migrants beyond the legally allowable EU limit.

This last suggestion is appealing to those who want to see drastic reductions in levels of European immigration, but it is unworkable and unprincipled as long as the UK remains a member of the EU and is required to ensure that no one becomes a second class citizen for exercising their (legal) free movement rights. Crucially, this rhetoric is also making it more difficult for the government to pursue its stated ambition of renegotiating its relationship with Europe and opening up discussions with other EU member states about free movement regulations and transitional controls. If these negotiations are to result in a settlement that benefits the UK, unilateral action that unfairly discriminates against migrants from across the EU will only serve to alienate potential allies.

As the debate about the UK's membership of the EU becomes increasingly fraught, politicians and others seeking to articulate a positive case for remaining in a reformed EU need to make a much stronger argument for the advantages of free movement than they have done to date. The overwhelming focus on controls and welfare benefits has given the impression that EU free movement only represents a cost to the UK public, when in reality it is an important driver of growth and prosperity. It benefits all member states, including the UK. Large numbers of people from the UK have moved to Spain, France and other EU countries, British businesses operate across Europe, and many students take advantage of cross-European mobility schemes.
However, this does not mean that there is no scope for making reforms that will help EU states to benefit more equally from free movement, or that no further efforts are required to support the successful integration of EU citizens who do choose to move to another member state. We will consider these issues more fully in a forthcoming IPPR policy report.

4.2 Policy recommendations

Alongside a longer-term process of reform of domestic and European policies, it is clear that action must be taken immediately to respond to the challenges – both real and perceived – that may arise when transitional controls are lifted. The public needs to feel that the government has thought clearly about these issues, especially at a local level, and is able to respond quickly to any problems.

Overall government strategy

As our research has indicated, some local areas that receive rapid and larger than expected numbers of migrants can expect additional demands on housing and services, or challenges to do with integration or anti-social behaviour. Recent policymaking on this issue has been taking place in a vacuum, given how difficult it is to predict how many people will come or where they will settle. Local authorities need an efficient process for flagging up these issues and getting support from central government to manage them. This is beyond the remit of the current cabinet sub-committee that has been set up to look at how to restrict migrant access to benefits.

The government should create a new cabinet-level Committee on the Impacts of EU Migration. Given the number of policy areas that are affected by migration and the high profile of the issue, this should be led by a senior cabinet minister and include representatives from the Department for Communities and Local Government, the Department for Work and Pensions, the Home Office and the Treasury.

This committee should hold regular meetings in London and other parts of the country that have experienced high levels of EU migration, and be available for MPs, local authority representatives and service providers (such as hospitals and schools) to contribute their experiences of impacts in their own areas. A dedicated forum of this kind would allow discussion of both the challenges and potential solutions, and highlight where additional resources might need to be directed to address particular pressure points as and when they occur.

In 2012, the Migration Advisory Committee published a review of the impacts that non-EEA migration has had on the UK. However, it is equally important to understand the distinct economic and social impacts of European migration, especially since the government has less control over these flows and cannot be as selective about the skill level of migrants who choose to move here. There are concerns about the impact on the UK of EU freedom of movement and calls to reform some of the rules in this area. A regular and thorough assessment of the impacts that free movement is having on the labour market and public services would enable more effective planning, especially for reducing the UK’s need for low-skilled labour and supporting the development of the British workforce to take up jobs that have traditionally been filled by European workers. It would also help the government to identify any areas where reform of free movement rules may be needed and the changes that would most benefit the UK.

The government should request that the independent Migration Advisory Committee produce an annual assessment of the labour market, social and public service impacts of EEA migration in the UK, in order to create a stronger evidence base for policymaking in this area.
Funding to address localised impacts

Most European migrants integrate well with the British workforce and society. However, some pressures can result from increased demand for public services and by the language barriers experienced by newer arrivals. This may be the case in 2014 as a result of migration from Romania and Bulgaria. While there were questions about the efficacy of the previous MIF, there is a strong argument for re-establishing a dedicated fund that will help communities to adapt to new inflows and that will provide migrants with the information they need to fit in with the communities they move to.

During its two years of operation, the MIF was financed by a £50 levy on the visa fees paid by non-EEA migrants. A total of £35 million was made available through the fund in each of the financial years 2009 to 2010 and 2010 to 2011. However, visa fees were not reduced after the fund was scrapped in 2010, so this money has presumably continued to flow into the Treasury and used for unspecified purposes.

From January 2014, the government should make available a pot of money to respond to any pressures created by migration flows from Romania and Bulgaria in the first six months of the year. This could be set at the same level as the previous Migration Impacts Fund, although it would not necessarily have to be spent. It would simply be a contingency to alleviate any short-term pressures.

Alongside this, the government should commission an independent evaluation of the effectiveness of the previous MIF with a view to re-establishing a fund that could perform a similar role in addressing specific and localised impacts of all migration to the UK. Decisions about the future size of this fund would depend on the evaluation of the previous MIF. This funding should be concentrated in areas that receive significant new migrant populations, and granted in response to applications from local authorities and service providers.

This should primarily be funded through visa fees rather than additional taxation, in recognition that it is fair to ask migrants to make a contribution to the communities into which they move. Given that EU migrants do not pay visa fees, the government should supplement the resources available for this fund by applying for additional money through the European Social Fund, which has a budget of €10 billion a year for creating more and better jobs and a socially inclusive society in Europe.

On their own, small injections of funding cannot perform the broader task of building community resilience and ensuring the effective economic and social integration of new migrants. However, they can smooth the path for integration, and address some public concerns about the practical impacts of new migration flows.

Promoting the integration of excluded groups

Public anxiety about migration from Romania and Bulgaria has highlighted the integration challenges associated with certain groups of new immigrants, and particularly the Roma community in Britain. Despite the regular conflation of ‘Roma’ with ‘Romanians’ in the media, the Roma have much more diverse backgrounds and have come to the UK from many different European countries. However, there may well be an increase in the numbers that move here after transitional controls on the A2 countries are lifted next year. Recent research indicating that the size of the Roma population in the UK is much larger than previously thought highlights the need to develop a more nuanced picture of their profile, and to assist their economic and social integration within the communities that they move to.
Roma have been the target of much discrimination and misunderstanding across Europe, and their presence has exacerbated community tensions in certain parts of the UK. While we would expect those that come to the UK to be prepared to work and contribute to society, and to leave the UK if they cannot prove that they are exercising their free movement rights, it is also clear that much more needs to be done to tackle entrenched prejudices and support those who find the integration process challenging because of this.

The government should draw on existing examples of good practice at the local level in the UK and across Europe on promoting Roma inclusion and develop a clear strategy for this group, in line with what has been recommended by the European Commission. In addition, it should be much more proactive in applying for the European Social Fund resources available for this purpose.
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