ABOUT THE LOCAL MIGRATION PANEL PROGRAMME

The Local Migration Panel programme was a major initiative launched by IPPR to broker a new consensus in Britain’s communities on the future role of migration. Funded by the Paul Hamlyn Foundation, the project brought together key stakeholders and policymakers in three locations in Britain, to explore the current and potential role of migration in their communities.

The project had a methodology designed to provide local and national policymakers with a deeper and more informed understanding of local people’s views on the impact of migration. Through in-depth, deliberative consultation with a panel of local residents, the Local Migration Panel project aims to address the sources of public concern and local areas.

In addition to this report, two in-depth studies for Coventry and Corby (Northamptonshire) are also available.

http://www.ippr.org/research/publications/local-migration-panel-coventry
http://www.ippr.org/research/publications/local-migration-panel-corby

ABOUT IPPR

IPPR, the Institute for Public Policy Research, is the UK’s leading progressive think tank. We are an independent charitable organisation with our main offices in London. IPPR North, IPPR’s dedicated think tank for the North of England, operates out of offices in Manchester and Newcastle, and IPPR Scotland, our dedicated think tank for Scotland, is based in Edinburgh.

Our purpose is to conduct and promote research into, and the education of the public in, the economic, social and political sciences, science and technology, the voluntary sector and social enterprise, public services, and industry and commerce.

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The authors of the report would like to highlight that it does not necessarily represent the views of those who have supported and given their time and expertise to inform this research. Any errors that remain, and the analysis and conclusions of the report, are the authors’ own
INTRODUCTION

The way we approach immigration in the UK needs a rethink. Last year, IPPR made the case for an immigration strategy that focused on how to reform immigration rules and policies with the purpose of addressing the structural problems affecting the UK economy (Griffith and Morris 2017). In this paper we focus on how the complementary integration strategy is needed to ensure that the UK economy benefits as fully as possible from immigration.

Our starting point is that the UK needs an integration strategy which aims to maximise the contribution of all migrants. Since 2010, the government has placed the focus on reducing immigration. Although immigration levels remain high, coming to the UK from outside the EU has never been more difficult or expensive. The government’s approach to integration stands in marked contrast to its approach to immigration control. As immigration control has become tighter, integration policy has become increasingly hands off - left largely to individuals and local authorities with little direction from central government (DCLG 2012). Investment into integration has fallen out of step with the size of the migrant population (figure 2.1). These cuts have taken place against a backdrop of austerity, which has in turn curtailed the ability of local authorities to provide migrants and communities with the support they need to contribute fully.

The fact that the government has pulled back on integration at a time when migration has been at record highs has had two major implications. Firstly, it means that the economic benefits of immigration have not been fully realised. Even though the evidence shows that migration has contributed to economic growth (Saunders 2017), and has helped ease pressures on the public purse and the labour market (Vargas-Silva 2018), our research indicates that the absence of a proactive policy on integration means this contribution is not as large as it could have been. The evidence suggests that a large proportion of migrants work in jobs for which they are over-qualified and in some migrant groups the levels of economic inactivity are significantly higher than average. An integration policy targeted at these twin challenges could trigger significant economic benefits.

Secondly, despite the evidence that immigration remains an issue of significant public concern, in practice little has been done to increase levels of public consent in the current system. Our work in two local authorities where immigration has been high shows that little action has been taken to understand and address public concerns, in order to ensure that local people feel like they are benefiting from immigration. A proactive integration policy could help to reassure the public about the impacts of immigration and build support for more progressive policies.

The publication of the Integrated Communities Strategy in May 2018 suggests that the government has recognised the need for a more ‘hands-on’ approach to integration (MHCLG 2018). The strategy has moved away from an approach which left local areas to “lead on integration” with central government intervening only in “exceptional circumstances” (DCLG 2012), to one which aims to set out a “national framework to shape priorities locally” (MHCLG 2018). In other words, whilst the focus remains on locally-driven integration policies, there is now a clear acknowledgement that central government can play an important role in supporting local areas to understand the issues and develop more effective integration plans.
In this briefing we set out a four step plan for how this can be achieved.

1. **Adopt an investor mindset.** Integration support should be understood as the key to unlocking the contribution of migrants, capturing the economic benefits of immigration, averting labour shortages after Brexit and reducing the costs associated with poor integration.

2. **Support local leadership.** Strong local leadership is critical to securing greater public consent on immigration. The plan should ensure that local areas are incentivised to take the lead. This will involve both financial and practical support, alongside a more robust approach to ensuring that local authorities prioritise integration.

3. **Share the benefits of migration fairly.** Local residents should benefit tangibly from immigration. Employers, universities and other actors which benefit from the immigration system should be incentivised to contribute to supporting integration.

4. **Reform the immigration system to support integration.** The immigration system should enable and encourage migrants to play a full role in our economy and society. Policies should be designed with a view to maximising integration.
PART ONE: THE CASE FOR INVESTING IN INTEGRATION

There are two core cases for investing in integration. First, integration can help to maximise the economic and fiscal contribution of migration. Migrants who can speak English, capitalise on their skills, and easily access services will be far more likely to contribute to the UK economy. Second, a more active integration policy is key to unlocking public consent, particularly in areas which have experienced high levels of immigration in recent years.

In this section we set out some evidence of the barriers which currently hold back the contribution of migrants and we make the twin economic and social case for investing in integration. We also draw on the findings of two panels which we convened in two areas of high migration (Coventry and Corby in Northamptonshire) to show how a lack of action on integration has affected the way in which people perceive migration at the local level.

THE ECONOMIC CASE FOR INVESTING IN INTEGRATION

While the evidence shows that the economic and fiscal impact of immigration has been positive overall, these benefits have not been maximised (figure 1). Although levels of economic participation among EU migrants are high (81.9 per cent are in employment compared to 75.6 per cent of UK workers) (ONS 2018d), a large proportion are significantly over-qualified for the jobs that they perform (38 per cent compared to 15 per cent of British workers) (Szilvia 2013; 2016). And while EU nationals are on average more qualified than UK nationals, their gross hourly pay is £1.88 less per hour than for British workers (ONS 2017a). These disparities are wider in some localities (for example, IPPR analysis suggests that EU workers in Coventry earn on average £3.00 less per hour than UK-born workers even though they tend to be more qualified).

Non-EU nationals face similar challenges in the labour market. Even though immigration rules increasingly favour the highly paid, many still face barriers. Overall, levels of economic participation are approximately 12 percentage points below the rates for UK nationals (ONS 2018d), and there are also high levels of over-qualification (37 per cent) (ONS 2017a). Where non-EU migrants are underperforming in the labour market, these inequalities are wide and deeply entrenched, such as in the case of refugees, women from some ethnic minority backgrounds (Rienzo 2017), and those sections of the migrant population with low levels of English.¹

Moreover, our research suggests that many migrants in the UK struggle to find their feet as quickly as they could, thus delaying integration and causing preventable pressures on key services. For example, although overall the evidence shows that there is no correlation between higher migration and greater pressures on health services (Steventon and Bardsley 2011), local authorities report higher levels of accident and emergency use by newly arrived migrants who are unfamiliar with

¹ According to the 2011 Census (ONS 2015), 863,150 people in the UK (aged 3 or over) could not speak English well or at all.
the UK health system. There is also evidence to suggest that awareness of social services and the school system tends to be lower among migrants (George et al 2011), for example, in relation to parental engagement (Murray 2017). Cuts to legal aid (Amnesty International 2016), translation services (DCLG 2013) and community-based support (Refugee Council 2010) have affected migrants disproportionately, particularly the most vulnerable.

Pressures have been compounded by the fact that recent migration to the UK has been characterised by higher levels of transience (ONS 2018b), with a larger proportion of migration being highly mobile and temporary (Griffith and Halej 2015). Population churn puts additional pressure on public services and communities (Scanlon et al 2010; Travers et al 2007). However, as argued previously by IPPR, the government’s ambition to bring down net migration has helped to increase levels of transience because it has been predicated on ensuring that migrants who come to the UK leave before securing settlement (Griffith and Halej 2015).

**FIGURE 1.1**

Employment rates (aged 16 to 64 years) for UK and non-UK born people working in the UK, January to March 1998 to January to March 2018

<table>
<thead>
<tr>
<th>Year</th>
<th>UK born</th>
<th>EU born</th>
<th>Non-EU born</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan - Mar 1998</td>
<td>70</td>
<td>80</td>
<td>60</td>
</tr>
<tr>
<td>Jan - Mar 2001</td>
<td>75</td>
<td>85</td>
<td>65</td>
</tr>
<tr>
<td>Jan - Mar 2004</td>
<td>80</td>
<td>90</td>
<td>70</td>
</tr>
<tr>
<td>Jan - Mar 2007</td>
<td>85</td>
<td>95</td>
<td>75</td>
</tr>
<tr>
<td>Jan - Mar 2010</td>
<td>90</td>
<td>100</td>
<td>80</td>
</tr>
<tr>
<td>Jan - Mar 2013</td>
<td>95</td>
<td>105</td>
<td>85</td>
</tr>
<tr>
<td>Jan - Mar 2016</td>
<td>100</td>
<td>110</td>
<td>90</td>
</tr>
</tbody>
</table>

Source: ONS (2018d)

There are two immediate reasons for why it is important to maximise the economic contribution of migrants: managing the potential impacts of Brexit and tackling the UK’s productivity puzzle.

First, **supporting labour market integration will help to manage the consequences of lower levels of migration post-Brexit.** IPPR’s analysis (2017) has shown that
key sectors of the British economy are highly reliant on workers from outside the UK. For example, the proportion of EU migrants in construction increased five-fold between 2003 and 2016 (Dromey et al 2017). But recent ONS figures have shown significant decreases in the net migration of EU citizens since the referendum because of increasing levels of emigration and decreasing levels of immigration (ONS 2018b). The recent Brexit white paper (DExEU 2018) confirms that the government is seeking to end the free movement of people after Brexit. Although this position could evolve in the coming months as negotiations with the EU continue, key sectors need to start preparing for the repercussions of a more restrictive system and the growing possibility of serious labour shortages (Byrne 2018; Condliffe 2018). In particular, if migration is to be restricted and the UK labour market is to tighten, then the UK will need to rely further on its current migrant workforce. Integration of current migrants – by for instance tackling areas of under-employment through a greater focus on skills recognitions and English language – is therefore an important way of minimising the effects of Brexit on the UK labour market.

Second, tackling the skills mismatch in the migrant labour force could help to relieve the productivity challenge affecting the wider UK labour market. The evidence suggests that sectors with high numbers of over-skilled workers tend to have lower levels of productivity due to the inefficient allocation of resources (McGowan and Andrews 2015). Supporting migrants to find jobs that align with their qualifications and skillsets could therefore play an important role in addressing the UK’s productivity problem.

Ensuring we take fuller advantage of the skills of the resident migrant population is a critical part of creating a fairer and better functioning labour market in the UK. Enabling migrants to access jobs which are in line with their qualifications will help maximise their contribution and ensure that the most skilled opt to remain in the UK.

BOX 1.1: COVENTRY – PROFILE
Since 2005, the population of Coventry has grown from just under 300,000 to 360,000. This is one of the highest rates of population growth of any city outside London. International migration has been a key driver for this growth. The share of Coventry’s foreign-born population has increased steadily since 2005. More than a quarter of Coventry’s population was made up of people born outside the UK in 2016, up from 16 per cent in 2005 (ONS 2018c).

There are a variety of explanations for why migration to the city has been high. First, there has been high demand for labour among employers in the city. Between 2009 and 2015, the number of jobs in Coventry has increased by 14 per cent, compared with the national average increase of 9.7 per cent. Unemployment in the city has fallen steadily, with the current level of unemployment (5.5 per cent) at its lowest in over 12 years (ONS 2017b). Work has been the key pull factor for EU migrants, whose numbers have risen considerably in the past five years. EU migrants in Coventry have a comparable employment rate to UK born residents (IPPR analysis of the Annual Population Survey 2010–2015). Higher education has also played an important role in attracting new residents from overseas. Thirty-three per cent of students at Coventry University come from outside the UK – the highest proportion of any university city in the UK (Piazza 2017).

The fact that the city saw relatively high levels of immigration in the 1960s and 1970s, and a significant increase between 2001 and 2011 (ONS 2011), means that family reunion is now also one of the factors behind migration
to the city. In particular, it is likely that social network within the migrant population contributed to high rates of immigration from outside the EU, particularly from South Asia².

Most EU migrants in Coventry are of working age (Coventry Partnership 2016). Levels of economic activity among EU migrants are comparable to those of UK born workers. Meanwhile, EU migrants tend to be more qualified than their UK counterparts (with approximately 74 per cent completing education beyond 16 years, compared to 43 per cent) (IPPR analysis of the Annual Population Survey 2010–2015). The non-EU population in Coventry is less economically active compared to EU migrants and UK-born citizens, but slightly more qualified than the UK-born population with 63 per cent completing education beyond 16 years (ibid).

BOX 1.2: CORBY (NORTH NORTHAMPTONSHIRE³) – PROFILE

In 2003, local leaders in Corby embarked on an ambitious plan to regenerate the city following decades of decline. At the heart of their vision was the need to double the size of the town’s population (from 53,000 in 2003 to 100,000 by 2030) (Catalyst Corby 2003). By 2010, Corby was the fastest-growing town in England and Wales (BBC 2010). Six years later the town was profiled as the place that had ‘shaken off the post-industrial ashes’ in the Guardian and the Economist.

In this period, Corby's population has increased from 53,000 in 2001 to 62,000 in 2016 (ONS 2017c). The foreign-born population has doubled in size in this time to and makes up almost one-fifth of the total population. In 2016, around 25 per cent of live births in the town were to EU-born migrants.

EU citizens, particularly people from post-2004 EU member states, make up the largest share of Corby’s migrant population (the number of non-EU migrants is lower than the national average). According to the Annual Population Survey, around 4,000 Polish people lived in the town, approximately 6 per cent of the total population.

Most migrants in North Northamptonshire are of working age and move to the region to find employment. On average, EU migrants are better educated than the UK-born population in North Northamptonshire. 80 per cent of EU migrants left education after the age of 16. In comparison, around 50 per cent of UK-born residents left education aged 16 or under.

The data suggests that EU migrants in North Northamptonshire are concentrated in low and lower-middle grade jobs (IPPR analysis of the Annual Population Survey 2010–2015). ⁴ 28 per cent of EU workers work in construction, storage and transport. The average hourly pay of EU workers is £3.70 less than their UK-born counterparts.

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² For more information on social networks see Poros (2011)
³ Where appropriate, we have used the North Northamptonshire region rather than the Corby Borough Council region, in order to achieve a sufficient sample size
⁴ For occupations contained low and lower-middle grade jobs see ONS (2017d) Table 4
PUBLIC CONSENT

Aside from the economic case for migrant integration, there is a powerful social case. Securing consent for immigration will only be possible if the UK public is confident that it brings both economic and social benefits.

After the referendum, IPPR convened two resident panels in areas of the UK that voted to leave the EU and had experienced high levels of immigration in the past decade (Coventry in the West Midlands and Corby in Northamptonshire – see boxes 1.1 and 1.2 for overviews). Our aim was to gain a deeper understanding of the factors underpinning concerns about immigration at the local level and use these insights to design strategies to inform local integration plans.

The panels were made up of approximately 20 residents who were concerned about immigration. Participants contributed to two in-depth deliberative workshops. The first session aimed to provide an insight into the factors driving concerns about immigration at the local level. The second session focused on working with residents to co-produce local integration plans. These panels were the basis for more detailed local strategies for the two areas which are published alongside this report.

A third residents’ panel was also convened in Sunderland, a leave-supporting area where migration has been very low. The aim there was to test local responses to more devolved approaches to migration aimed at addressing the city’s demographic challenges and drive growth (see findings in box 1.3).

What we found

The UK government’s strategy on immigration focuses primarily on the need to restrict migration with the purpose of bringing down numbers. Consequently, much of the research on attitudes to migration has focused on people’s perceptions of the scale of immigration. However, the concerns of residents who participated in the local migration panels were more nuanced than this would suggest. We found that in general people were just as – or indeed more – concerned about the impacts of immigration and how these had been managed.

While many of the residents we spoke to understood the overall economic rationale for immigration, they did not feel reassured that in practice these benefits had improved their own lives and benefitted their communities.

“What really annoys me is that no one ever asked us. Sure, there has been lots of consultation about the local regeneration plans and the developments. But migration never came into it.” (Corby)

“The money [from international students] doesn’t stay in the city. It’s the private developers who benefit from that volume industry.” (Coventry)

In general, the residents we spoke to felt that even if there were benefits for employers and these had contributed to local growth overall, these advantages had not necessarily translated into better jobs or an improved quality of life.

5 See for example Kaur-Ballagan (2018)
“Why would you want to get more population? ... Growth also brings more pressure or roads, congestion; green space needs to be provided, bins to be emptied, etcetera.” (Coventry)

“I heard in the local papers that the university generates millions [from international students], but who gets this?” (Coventry)

“These sites [residences for international students] are for people who want to live here temporarily. Are we losing the opportunities? Should development sites be for housing for people who want to live here permanently?” (Coventry)

“We bring them over to build more houses, then we need more houses for them. What’s the point? It doesn’t make sense.” (Corby)

Some participants did see immigration controls, tougher enforcement and a reduction in overall numbers as the only solution. However, the majority shared a common desire for policymakers to take active steps to ensure that social impacts were minimised and economic benefits were maximised. In other words, if immigration was going to increase it needed to be matched by greater investment in integration.

“There are people in this city who don’t speak English. Why haven’t we done anything about it?” (Coventry)

“If the school had the resources it needed to support those kids, I wouldn’t have a problem. But as a teacher, I know that this isn’t always the case.” (Coventry)

Despite these expectations, in both panels we found a widespread view that significant increases in immigration to the local area had not been supported by active efforts to share the benefits with existing residents and their communities. People spoke of it seeming like migration was “happening to, rather than for” their area; they felt that “no one had thought it through” and that “things were being left to chance”.

People expressed concerns about a lack of planning and a failure to put in place the measures to ensure local areas were prepared. Topics ranged from resourcing local schools to support children who didn’t speak English to ensuring that enforcement agencies could police the practices of local employers and landlords.

Alongside these concerns we found that many residents were able to engage in constructive deliberation. The prevailing attitude was one of recognition that high levels of migration were likely to remain the reality for their local areas. Indeed, many participants recognised that significant decreases in the number of migrant workers could be damaging for the local economy, house building and health services.

“Yeah, they do jobs for less. But then again, who will do those jobs if they don’t come?” (Coventry)

However, this did not mean residents were happy with business as usual. On the contrary, residents expected a far more ‘hands-on’ approach than had been the case in the past. This meant three things. First, residents said that support should be in place to ensure that migrants could find their feet as quickly as possible (for instance, to ensure that they learnt English and understood key rules around public services and codes of behaviour). Second, residents expected to be safeguarded against any adverse effects which could arise from immigration, including any downward pressures on local wages, anti-social behaviour or increases in rents. Finally, there was an expectation that active steps would be taken to ensure that the benefits of immigration were fairly shared across the
community, rather than simply enjoyed by employers or universities. Moreover, the view was that those who benefit should take responsibility over integration.

**BOX 1.3: SUNDERLAND – MIGRATION AND REGENERATION**

Our work in Sunderland was designed to test proposals for greater devolution of immigration policy, as proposed previously by IPPR (Griffith and Morris 2017).

Contrary to expectations, we found there was widespread recognition among panellists that the city needed workers, skills and investment, and that migration could be part of a strategy for driving growth in the city. Participants in the Sunderland panel shared the perception that the city had been overlooked in recent years. The residents expressed widespread support for policies aimed at levelling the playing field for cities like Sunderland. This applied to public investment and job creation, but also to immigration policy.

“People who say it’s only about immigration may have forgotten that we’ve got the shit end of the deal up here. We get the raw end of the stick, because everybody forgets about us.”

“If you have a certain set of rules to come to Sunderland, what you might end up doing is attracting businesses to come here, because they’ll think, ‘Sunderland’s advertising for this kind of people [sic] to come in’, let’s get our business up there.”

When we tested proposals to enable a more devolved approach to migration, the residents recognised that current immigration rules put cities outside London and the south at a disadvantage. They were also aware that a city like Sunderland would need to work that much harder to attract workers from abroad.

“You [should] tailor [immigration policy]. Because with the best will in the world, Sunderland’s probably quite far down people’s list of where they want to come to.”

“While I don’t think we should go down the route of cities down south, I can see that Sunderland would benefit from getting more students from abroad.”

For this reason, residents saw the benefits of a system designed to channel highly-skilled migration to low-growth parts of the country and to help overcome the economic imbalances between Britain’s regions. Participants also saw how a system of this kind could help Sunderland become a more attractive place for skilled workers, international students, investors and employers.

However, members of the Sunderland residents panel also made it clear that support for policies aimed at attracting migrants to the city would be conditional on the city assuming responsibility for ensuring that those who arrived contributed tangibly to the local economy. In other words, support among residents would be conditional on investment in integration.
PART TWO: 
THE INTEGRATION COMPACT

An immigration strategy aiming to secure public consent solely on the basis that flows will be restricted is short sighted. Rules need to take account of the ways in which they can support integration and maximise the contribution of migrants once they are in the UK. These reforms also need to be underpinned by concerted interventions at a local level to support integration. In this section we set out how this can be achieved.

OBJECTIVE 1: ADOPT AN INVESTOR MINDSET
Integration is an investment: it is the best way to enable migrants to contribute as quickly and effectively as possible, and to help local areas capitalise on the economic benefits of immigration. The evidence shows that investment in, for example, language provision yields significant returns in the form of higher labour market participation and increased productivity (McHugh and Challinor 2011). Likewise, focus on effective skills recognition is a relatively low-cost way of ensuring that migrants contribute to their full potential (International Labour Organisation 2017).

However, the UK has historically under-invested in integration. Our analysis shows that this situation has become significantly worse in the past 10 years. The amount of government spending on integration relative to the migrant population per year has decreased (see figure 2.1), with the spending per migrant on English for Speakers of Other Languages (ESOL) budget falling by approximately two-thirds. Moreover, funds available for local authorities experiencing high levels of migration have dropped by almost a third - from £8 per migrant in 2009 to £5.63 in 2017. Significantly, these reductions have taken place against a backdrop of wider austerity, which in turn has curtailed the ability of mainstream public services to support integration and disproportionately affected services that migrants rely on for integration support. Funding for further education, a critical provider of English language support, has seen cuts of 35 per cent since 2009 (University and College Union 2015), and legal aid funds, which many migrants rely on, has seen cuts of just under 50 per cent (The National Council for Civil Liberties 2018). Only by reversing this situation and raising levels of investment will migrants be able to contribute fully to the UK economy.
Recommendation 1: Investment in integration should match changes in immigration

The government should agree a fiscal formula to ensure that investment into integration keeps pace with levels of immigration. The formula should reflect the composition of immigration flows to ensure that investment into integration meets projected needs.

As a first step, government should commit to increasing the annual per-migrant integration budget to the level it was in 2009. This would mean increasing the Controlling Migration Fund budget from £35 million to £50 million per year. The annual ESOL budget should be raised from £99 million to £290 million.

One way of raising these funds would be to ensure that a share of the immigration fees raised by the Home Office are invested back into integration support. This could include additional resources for the Controlling Migration Fund and greater investment into the government’s ESOL strategy (MHCLG 2018).

Recent years have seen significant increases in the fees and levies related to immigration (see figure 2.2). Since 2007, the cost of naturalisation has tripled (from £575 to £1,330) (The National Archives 2007; Home Office 2018) and there has been a five-fold increase in the cost of sponsoring skilled migrants. A recent enquiry by the House of Lords Select Committee on Citizenship and Civic Engagement show that naturalisation fees now significantly exceed the administrative costs of applications (House of Lords 2018). And given the citizenship application cost increase, the Home Office raised at least £170 million in 2017 out of naturalisation applications alone, compared to around £90 million in 2007.7

As an alternative to this approach, the government could consider moving away from the current focus on raising fees from individual applicant to instead centre their strategy on levies for sponsors (Home Office 2015). Employers and education institutions, rather than individual migrants, would therefore bear

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7 There were 157,057 British citizenship applications in 2007 and 141,302 in 2017. The application fee was £575 in 2007 and £1,330 in 2017 (ONS 2018a).
greater responsibility for paying the fees. Under this proposal, mechanisms could also be introduced to ensure that funds are targeted at the local level (see recommendation 6).

**FIGURE 2.2**
Fees for naturalisation applications, 2007–2018 (£)

![Graph showing fees for naturalisation applications, 2007–2018 (£).](source)

Source: The National Archives (2007); Home Office (2018); Free Movement (2017)

**FIGURE 2.3**
Visa charges in 2009 and 2017

![Bar chart showing visa charges in 2009 and 2017.](source)

Source: IPPR analysis of UK Border Agency (2010); Independent Chief Inspector of the UK Border Agency (2009); UK Government Website (2017)

Note: Tier 2 visa in 2017 refers to “Tier 2 (General), (Intra-Company Transfer) - Long Term Staff, where a certificate of sponsorship has been issued for a period of more than three years”

**Recommendation 2: roll out a comprehensive migrant skills recognition plan**
As set out in the previous sector, the UK is doing a very poor job of capturing the skills and qualifications of its migrant population. Although targeted support is available for some categories of migrants (namely refugees arriving to the UK
via resettlement schemes) provision is very patchy and job centres are often not resources to provide specialist advice for people with qualifications from outside the UK. Many migrants struggle to find guidance due to the significant cuts which have affected the advice sector in recent years.

Skills recognition is an effective way of both maximising the contribution of migrants and will also contribute to securing high levels of public consent from local people (by bringing to light the potential of the migrant population). Experience in Germany and Australia also suggests that the returns from a relatively small and inexpensive investment can be significant. The German example also suggests that systems to enable recognition need to be complemented with support for the development of soft skills which make a critical difference in helping migrants break into the labour market (Velten and Herdin 2015).

Local Integration Funds (see recommendation 4) should make greater investment in skills recognition a key priority. This should include ensuring that job centres are resourced to provide specialist advice (drawing on the International Labour Organisation’s advice), and providing training and work experience opportunities aimed at unlocking soft skills which can help migrant workers maximise their participation in the UK labour market.

OBJECTIVE 2: SUPPORT LOCAL LEADERSHIP
IPPR’s work in local authorities suggests that a large proportion of them are struggling to develop appropriate plans to respond to immigration and to embed integration interventions within their wider strategies.

We have identified two significant barriers. The first is funding. Reforms to local government funding have especially affected non-statutory spending, including investment in integration. Local authorities have concentrated funding on statutory services (including adult and children social care) (Local Government Association 2017), whilst centrally mandated responsibilities (most notably, the duty to promote cohesion) have been deprioritised. Consequently, levels of investment in integration at the local level have fallen significantly. Moreover, there is evidence to suggest that the system for allocating funding to local authorities has significantly disadvantaged areas of high immigration (Harper and Mayhew 2011).

Second, our consultations identified a climate of risk averseness in relation to immigration. Local officials cited political and reputational risks as a key barrier, with many unprepared to make any reference to immigration in public statements. Local officials struggled to point to examples where action in relation to migration and integration had yielded concrete benefits. More often, interventions were perceived to lead to controversies and heightened tensions. One official summed up the situation as: “you’re damned if you don’t, but you’re probably more damned if you do.”

The government’s 2018 Integrated Communities Strategy identifies local authorities as the key actors in driving integration. We agree with this approach. But feedback from local authorities suggests that it won’t be successful without support and greater investment.

9 See https://www.bertelsmann-stiftung.de/en/our-projects/further-education-for-all/project-topics/recognizing-skills/
10 Since 2013, IPPR has carried out research into the impact of immigration in the following local authorities: Newham, Derby, Kings Lynn, Slough, Sandwell, Redbridge, Glasgow, Bedford, Coventry, Coventry and Sunderland.
To support local authorities more effectively we propose the following steps:

**Recommendation 3: Devolve the money raised through immigration charges and levies**

The devolution of some funds raised through immigration charges would help to spur greater action at the local level. It could also lead to more targeted and effective investment, given local authorities are often better placed to disburse funds in ways that suit specific local conditions. National government should retain responsibility for collecting a share of immigration related charges – including citizenship fees and the immigration skills charge. However, we suggest that a proportion of the funds should be distributed to local authorities. The allocation formula should take account of increases in the number of migrants in relation to the overall population. Fees collected should be invested into local integration funds (see recommendation 4).

**Recommendation 4: Launch local integration funds**

To ensure that residents benefit directly from immigration at the local level, we recommend that funds targeted at integration, including funds from immigration charges alongside any resources provided via the government’s Controlling Migration Fund, be invested in a local integration fund to be managed by local authorities. Funds could be supplemented via other mechanisms. For example, local areas could introduce small voluntary levies on local employers or universities that sponsor high numbers of migrants.

The strategy for the allocation of these funds should be developed by local authorities, with the support of residents’ panels and in consultation with key frontline service providers. To mobilise key actors, including employers and higher education institutions that rely on international students, local authorities should consider organising the initiatives supported via the fund as local challenges (such as a goal to ensure that all local residents speak English or increasing the levels of citizenship acquisition). These challenges should be well publicised in the local community, with an emphasis on maximising migrant contribution, encouraging greater participation among local residents (for example via volunteer-led English language tuition schemes or by incorporating citizenship ceremonies into wider community events).

**Recommendation 5: Improving local level data**

Good data on local immigration levels and their impacts is critical to ensuring that local areas can develop effective strategies, communicate with residents, ensure they get a fair financial settlement, identify pressures, and evaluate the effectiveness of their interventions.

However, the government recognises that local areas currently struggle to find information they need (such as the number of refugees and asylum seekers living locally) (Poppleton et al 2013). Migration data collection has fallen behind the levels of population change that have taken place in the UK in the last decade. Immigration data are limited by gaps and inconsistencies (Morris et al 2016), population data has a relatively small sample size and so does not allow for fine-grained analysis at the local level, and census data is too irregular to analyse recent trends. The ONS is currently developing a new approach to migration data, based on linking up survey data with administrative information from different government departments in order to create a richer picture of migration patterns and integration outcomes.

To create a timelier and more responsive picture of immigration flows at the local level, we recommend that the ONS should build on its current new approach to immigration data by publishing fine-grained local level analysis of migration and integration patterns. This would help to give local authorities the key information
they need to assess the needs of their migrant populations and invest accordingly. Data protection specifications should ensure that data collected via these systems are not deployed for immigration control purposes.

The ONS data should also be complemented with more localised analysis of local public opinion in relation to immigration. Since the discontinuation of the Citizenship Survey in 2011, local areas have had only limited access to local level perception data relevant to integration. Although many local authorities carry out household surveys, these tend to be of mixed quality and size. Among other things, this has reduced the scope to carry out comparative work to gauge the effectiveness of different policy approaches. The government should re-think this decision and either re-introduce the survey in a simplified form or provide detailed guidelines to local authorities to encourage high-quality local data collection on integration outcomes.

OBJECTIVE 3: SHARE THE BENEFITS OF MIGRATION FAIRLY
Integration should be a matter of collective responsibility. The system should be designed to incentivise those who sponsor and depend on migrants to take responsibility for their integration outcomes, ensuring that they actively share these benefits with the local community.

Our residents’ panels expressed a strong sense that the benefits of immigration had not been shared. The benefits of easy access to EU workers and international students enjoyed by employers and local universities needs to be matched with active efforts to minimise any social costs and reinvest the benefits into the local community.

Recommendation 6: Employers and education institutions should bear greater responsibility for supporting integration

A trusted sponsor system should operate alongside the current sponsor license system that applies to Tier 2 and 4 (ie for both skilled workers and international students). To qualify for the scheme, sponsors should be able to demonstrate both a strong track record as socially responsible employers (for example paying living wage or investing in skills development) and a commitment to taking responsibility for supporting the integration of migrants who they sponsor. For employers sponsoring skilled workers, this could include:

- Offering employment-based English-language tuition for migrant workers
- Providing pre-arrival support and advice

For education institutions sponsoring international students, this could include:

- Creating community investment funds, via using a proportion of the income generated by international students’ fees to support programmes aimed at benefiting the overall community
- Carrying out local level impact assessments (for example of the likely effects of larger numbers of international students on local rental market) and developing mitigation plans

Sponsors who participate in the scheme should be eligible for additional visa advantages, including:

- Access to visa fast-tracking via a priority service, which provides decisions within 10 days of applying
- In the case on employers, they could benefit from higher priority entry within the Tier 2 annual cap, a reduction in the immigration skills charge, a lower minimum salary threshold, and access to an expanded ‘shortage occupation list’.

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11 From 2001 until 2011, the government conducted the Citizenship Survey. The survey explored people’s views of their local community in England and Wales and provided a useful data about integration.
Recommendation 7: Create a system of rewards for universities and commercial English language providers which make an active contribution to integration

Universities and English language colleges have a significant stake in the immigration system. Access to visas for students from abroad is critical to many education institutions’ business models. Since 2010, they have been subject to increasingly high requirements in relation to the enforcement of Tier 4 visas. But while visa rules for universities recognise teaching excellence, in general the criteria applied focus on migration compliance. The system has focused on policing non-compliance rather than incentivising education institutions to improve integration outcomes.

We propose that those institutions that can demonstrate that they are making an active contribution to supporting integration should:

• offer skills recognition and progression support to qualified non-UK workers
• offer subsidised English lessons for people with low English language skills
• train volunteer English language teachers in the community
• launch community investment funds to re-invest fees paid by international students into the local community.

OBJECTIVE 4: REFORM THE IMMIGRATION SYSTEM TO SUPPORT INTEGRATION

In recent years, immigration policy has taken little account of how reforms are likely to impact on integration. Work visas for non-EU migrants are constrained to fixed time periods and the process of extension is arduous and forbidding. The rules governing family reunion have become increasingly strict and subject to high income requirements. And the naturalisation process is becoming prohibitively expensive, onerous and bureaucratic.

While the UK system has become less integration-friendly, many other countries are putting in place reforms to help enable the take up of citizenship and greater settlement. For example, in recent years Germany has worked to relax many of the rules governing its citizenship system (Murray 2016) and Sweden has relaxed family reunion rules (Griffith and Halej 2015).

This principle of discouraging settlement has been applied across migrant categories, irrespective of the skills that migrants have, their ability to contribute, or their levels of integration. The closure of the post-study work route for international students means that contribution is largely restricted to their time in education, rather than in work - in the form of university fees and consumption, instead of taxes, labour and increased productivity. Rigid rules which dictate that time in the UK is limited discourages migrants from investing in their integration, when they could be doing the opposite. Meanwhile, in 2012 minimum income requirements (currently £18,600 with an additional £3,800 for a first child and £2,400 for each further child) were introduced for family visas.

Meanwhile, policies designed to make life difficult for migrants who are in the UK illegally (formerly referred to as the hostile environment) have over-ridden serious efforts to ensure that those who are here legally feel welcome and are encouraged to integrate. Across the board, the tone of the immigration system has become inexorably more punitive. Policies have been put in place to transfer responsibility for enforcement away from central government (such as placing greater responsibility for immigration checks on banks, employers and landlords), without serious sufficient attempts to safeguard migrants and ethnic minorities from discrimination (JCWI 2017).

A range of immigration policies have a critical bearing on integration, including the process of obtaining and extending visas, the way in which immigration
policies are presented and implemented, the prospect of eventual settlement, family reunion and naturalisation, and the existence of suitable safeguards against discrimination (Boswell 2018). Visa extensions, as well as the prospect of settlement and eventual naturalisation, should all be actively used in the pursuit of integration objectives. Implemented correctly, pro-integration immigration policies could be leveraged in a way that helps to reinforce compliance, because the prospect of visa renewal and eventual settlement would create a powerful incentive for migrants to abide by the rules. In short, the goals of promoting integration and ensuring compliance don’t necessarily need to be at odds.

**Recommendation 8: Introduce an integration test for future immigration reforms**

The Ministry for Housing Communities and Local Government should work with the Home Office on the development of an *integration test* to establish how current immigration policies impact on integration. This should apply to all new measures to tighten enforcement in the future, at the earliest stage of their conception within the Home Office. Measures to transfer responsibilities for immigration checks to employers, landlords and frontline service providers should be accompanied by suitable *safeguards against discrimination for migrants and ethnic minorities*. The government must also put in place processes to ensure that instances of racism are reported and fully investigated.

**Recommendation 9: Re-design rules around family reunion**

The government should end the use of minimum income thresholds as the basis of its family visa requirements. These thresholds are arbitrary and prevent family reunion, while undermining integration outcomes. They should instead be replaced by a *family reunion integration bursary*. This bursary would be one of the eligibility requirements for securing a family visa. The scale of this bursary should be set on the basis of an integration needs assessment. In cases where integration needs are deemed low, the bursary should cover the costs of an initial introduction to the local area and an integration handbook aimed at addressing issues such as skills recognition (approximately £200-350).

In high needs situations, bursaries should cover at least three years of more intensive support and the development of personalised integration plans (at approximately £3,000 to 5,000 per year). We recognise that these bursaries will be a barrier for families on low incomes. Therefore, in these cases, families should have the option of applying for an interest-free, government backed family reunion loan. Moreover, if sponsored migrants fulfil the requirements of the integration plan, the government should consider writing off the loan in full.
CONCLUSION

For almost a decade, the government has focused its immigration policies on meeting the net migration target. In believing that these policies would lead to substantial reductions in immigration the government has reduced its focus on and investment in integration.

Yet these policies have not delivered. Instead they demonstrate the ongoing need for immigration policy to be underpinned by a robust approach to integration. Without this, the UK will struggle to improve integration outcomes, a key dimension of unlocking public consent for migration.

The publication of the Integrated Communities Strategy suggests that the government recognises the need for a more hands-on approach. Government should be ambitious in its approach to integration. This includes ensuring that investment in integration is increased, that local actors are supported to lead on the integration agenda, and that those who benefit the most from migration put in place active steps to re-invest these benefits in their communities.
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