

## **Local government, migration and immigration**

### **Purpose**

As background to the discussion.

### **Summary**

The Rt. Hon. **Brandon Lewis**, Minister of State for Immigration, will join Councillors' Forum for this item. This session provides an opportunity for councillors to raise questions to the Minister.

This report covers a range of issues including non-UK EU migrants contribution to the labour market, LGA proposals for skills reform, and issues related to asylum, migration and resettlement.

### **Recommendation**

Members of Councillors' Forum are invited to note the background report and, following the Minister's speech, pose questions from a local government perspective.

### **Action**

Officers will take forward actions identified.

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## **Local government, migration and immigration**

### **Overview**

1. This report covers a range of issues including non-UK EU migrants in employment, LGA proposals for skills reform, and issues related to asylum, migration and resettlement.

### **EU migrants in employment**

2. In July 2017, the Government commissioned the Migration Advisory Committee (MAC) to advise on the economic and social impacts of the UK's exit from the European Union. The MAC has since launched a [call for evidence](#) on the contribution of European Economic Area (EEA) workers in the UK labour market. It is open until 27 October.
3. Councils, working with local businesses and partners, want to build strong, resilient economies where residents contribute to and benefit from growth. Fundamental to achieving this is a steady supply of skills and jobs. Both as major employers for a local area and leaders of place they are critical to understanding the skills supply of their local area and the skills demand of local employers, both now and in the future.
4. There are 2.37 million non-UK EU nationals working in the UK<sup>1</sup> which according to 2016 ONS data, equates to around 7 per cent of EU nationals contributing to the UK workforce. Around 740,000 from the European Economic Area (EEA) work in highly skilled jobs. By contrast, 454,000 work in low skilled jobs while 337,000 have low or no qualifications<sup>[1]</sup>.
5. EU nationals are understood to make up 7 per cent across both the construction and social care sectors. Importantly there are variations according to place. Taking the social care sector as an example, this ranges from 12 per cent of the workforce in London to 2 per cent of the workforce in the north east, emphasising the differential impact of Brexit on places, which is confirmed by our discussions with councils.
6. As employers in their own right, councils employ EU nationals at all levels from low-skilled to professional roles. While it is difficult to obtain exact numbers because most councils only maintain a voluntary register of nationality as part of their personnel records, it is clear there are considerable local variations in numbers across places.
7. Many councils are undertaking analysis to understand the current skills profile for their local areas. We need assurance from Government that this expertise and knowledge will be used to shape any future policy to ensure business continuity for places across the private and public sectors. To this end, the LGA will submit a response to the inquiry to register key issues.

### **Skills reform**

8. Notwithstanding Brexit, local areas already face a range of skills challenges which we believe are a symptom of a centralised controlled skills system. For instance nine million

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<sup>1</sup> ONS, 2017. UK and non-UK people in the labour market: August 2017. Available at: [https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/ukandnonukpeopleinthelabourmarket/august2017?utm\\_source=LGIU+Subscribers&utm\\_campaign=17a526d51e-EMAIL\\_CAMPAIGN\\_2017\\_09\\_05&utm\\_medium=email&utm\\_term=0\\_4e47157211-17a526d51e-199193829](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/ukandnonukpeopleinthelabourmarket/august2017?utm_source=LGIU+Subscribers&utm_campaign=17a526d51e-EMAIL_CAMPAIGN_2017_09_05&utm_medium=email&utm_term=0_4e47157211-17a526d51e-199193829)

<sup>[1]</sup> Source: L&W analysis of the Labour Force Survey

people lack literacy and numeracy skills, 13 million people lack basic digital skills; there will be a shortfall of 4.2 million high skilled people by 2024, and national skills policy has failed to train enough people to fill construction related jobs while skills shortages across the sector persist. This has led to geographical imbalances leading to reduced local growth, poor productivity and low pay.

9. One thing is clear; our skills system has underperformed. Councils want to be able to match skills supply with skills demand, but the levers to achieve this are held centrally rather than locally, with little or no influence over the £10.5 billion national employment and skills funding. We need a high performing and well-coordinated employment and skills system which is responsive to the needs of employers and local areas if we are to address skills gaps and shortage by investing adequately in, and targeting retraining and upskilling support of the current workforce and ensuring young people are trained for current and future jobs.
10. Work Local is the LGA's positive proposal for change. This involves central and local government jointly agree the conditions for devolution and developing one set of employment and skill readiness criteria – a transition from the earned autonomy to full devolution for all areas. Led by combined authorities and groups of councils, in partnership with local stakeholders, Work Local areas will plan, commission and have oversight of a joined-up service bringing together advice and guidance, employment, skills, apprenticeship and business support around place for individuals and employers.

### **Local Government and migration**

11. Local authorities work with their local Home Office Immigration Compliance and Enforcement teams to address impacts on vulnerable individuals, communities and local public services affected by high levels of migration. Examples include tackling rogue landlords, sham marriages and employing illegal workers. The Home Office will be undertaking £40 million worth of enforcement activity over the next four years as part of the [Controlling Migration Fund](#) (CMF), working in collaboration with local authorities.

### **Local Government and asylum, migration and resettlement**

12. The member led LGA Asylum, Refugee and Migration Task Group is made up of regional member and Regional Strategic Migration Partnership (RSMP) representation covering all of the English regions, Northern Ireland, Wales and Scotland. The Task Group has been involved in long term discussions with government on how to work together to find sustainable solutions that minimise the pressures on local authorities, local communities and vulnerable individuals. The Task Group is meeting with the Minister on 26 October as a follow up to Councillors' Forum.
13. Current key issues in asylum, migration and resettlement that the Task Group is focusing on include:
  - 13.1. **Alignment of programmes:** councils and their partners work hard to support the many programmes for refugees and asylum seekers currently in operation. It is vital that clear links are made across all the programmes to make sure there is enough funding and support available. Councils will wish to ensure that any ongoing needs of any new arrivals under any system can be met without creating unsustainable pressure on local services.

- 13.2. **Engagement:** there is no clear mechanism for the Home Office to engage with local government to discuss shared priorities. Reflecting this, it is imperative that better and more transparent real time information is made available, particularly around support for children, so local government can ensure there is sufficient capacity for new arrivals, plan effectively in the long-term, and collectively assure itself that there isn't unsustainable pressure on local services being created in specific localities.
- 13.3. **Consultation on next steps for asylum dispersal:** at the end of June 2017, nearly 40,000 asylum seekers were dispersed throughout the UK<sup>2</sup>. The Home Office is designing, developing and procuring the future model for asylum accommodation and support, replacing the existing COMPASS arrangements, with procurement for five year contracts likely to begin in November. Local government leaders will be expecting to see a commitment to effective engagement from the Minister in advance of procurement. Given the potential impact on their communities and, particularly given the issues with the current contracts, councils are seeking a chance to place the relationship between local authorities, future providers and the Home Office on a more strategic footing.
- 13.4. **Costs of support for unaccompanied children:** whilst the LGA welcomed the recognition of the significant costs incurred by local authorities which led to the increase in funding rates at the introduction of the National Transfer Scheme (NTS), the current rate of funding remains inadequate. It has been estimated that the current Home Office grant covers 50 per cent of the costs, compounding an anticipated funding gap in children's services of at least £2 billion by 2020<sup>3</sup>. A current government review of funding must result in additional funding to ensure both unaccompanied children and those arriving to be placed with family members can be supported well after their arrival. As part of this, the LGA would also welcome a discussion on how the NTS is currently working and whether the best interests of children are being secured effectively.
- 13.5. **Children arriving from Europe:** as with the Syrian resettlement scheme, councils working with central government, national partners and regional bodies showed great leadership in building additional capacity for children from the Calais camp at fast pace. Under current European Union law, an unaccompanied child can apply to be reunited with their close family members in any state that is a signatory of the Dublin Convention, also known as the Dublin III Regulation. It is currently unclear how the 'Dubs Amendment' will continue to be implemented and what impact leaving the European Union will have on this and may remain so until a deal is negotiated.
- 13.6. **Failed asylum seekers:** councils support large numbers of children in destitute families, former care leavers and adults with care needs whose asylum applications have been refused by the Home Office. There is no government funding provided for this. Councils are also expressing concerns around regulations which introduce charging for this group for primary and secondary healthcare, with resulting impacts on families and public health as a whole.

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<sup>2</sup> [Immigration statistics April – June 2017](#), ONS, August 2017

<sup>3</sup> [ADCS Safeguarding Pressures Phase 5 Special Thematic Report Unaccompanied Asylum Seeking and Refugee Children](#), November 2016

- 13.7. **Vulnerable Persons Resettlement Scheme:** more than 8,500 Syrian refugees have been resettled in the UK under the scheme by more than 200 local authorities across the United Kingdom. Over a third of the 20,000 refugees the UK Government pledged to resettle by 2020 are already in the UK. Lessons can be learnt from the success of the Syrian Vulnerable Persons Resettlement Scheme in the development of any support for new arrivals, including early involvement from local authorities, regional delivery and long-term funding arrangements.
14. The LGA will continue to work with the Government and councils to both clarify migration and immigration policy and practice and ensure that councils and local leaders will continue to play a central role in exploring the impacts of migration on vulnerable individuals and their communities, and on local growth and productivity.