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POSTNOTE

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# Migrants and Housing

Migration is often cited in public debate as a significant factor in the demand for housing in the UK. This POSTnote provides an overview of available research on migrants and housing. It examines definitions and data sources on migration and its implications. It outlines how migrants influence demand for housing, including variation by migrant characteristics and region. It also considers the impact of housing on migrants and local communities.

## Overview

- Understanding the influence of migration on housing is complex because of the wide range of factors that influence housing demand and the use of different definitions and statistics on migrants.
- About 80% of foreign-born migrants resident in the UK for less than five years live in the private rented sector, compared to about 20% of the UK-born population. Migrants with over a decade of residence tend to demonstrate similar levels of owner-occupation to the UK-born population.
- About 20% of migrants live in social rented accommodation, similar to the UK-born population. There is no evidence that social housing allocation favours migrants.
- Shortages of suitable housing for all groups can exacerbate tensions between established residents and new migrants and hinder integration and community cohesion.

## Background

Migration is often put forward as a key factor in debates on housing shortage and affordability.[1,2,3,4] For example, a 2016 representative poll of UK adults by Opinium Research found that more than two in every three people (69%) think that the country is in the throes of a housing crisis, and half of these (54%) think that immigration has been the largest contributor.[5] However, it is not possible to assess directly the impact of migration on housing demand because it is influenced by a number of complex factors, including population size, household structure, age of residents and the condition of the economy. There is not a direct relationship between population change (as a result of migration) and housing demand.[6] Media coverage on the issue of migrants' use of housing, although extensive, can conflate UK-born Black and Minority Ethnic (BME) groups with 'migrants', leading to potentially misleading reports.[7,8,9,10] This POSTnote focuses on data available for England unless specified otherwise.

## Definitions and Data Sources on Migration

Definitions of who counts as a 'migrant' vary. This POSTnote uses the widespread definition of someone whose country of birth is different to their country of usual residence (foreign-born)[7] (Box 1).

### Measuring Migration

There is no single, comprehensive statistical data source that identifies international migrant flows and provides information on migrants while they are living in the UK.[11] There are two main approaches to measuring migration, both of which estimate migration from existing survey data (see SN8070):

- **Stock**: the total number of migrants in the UK at a given point in time. Data on stock migration are usually collected through surveys of the resident population, such as the **Annual Population Survey (APS)**. Data from 2015 from the Office for National Statistics (ONS) estimates that one in 8 of the UK resident population is foreign-born.[12]

**Box 1. Key Definitions of Migrants**

A migrant is a person who has changed their country of usual residence. Key definitions are below (see SN06077 for more info).

- **Foreign-born**: someone whose country of birth is different to their country of residence. Widely used in UK analyses of the impacts of migrants and includes British citizens born abroad.[7]
- **Foreign-national**: someone whose nationality is different to their country of residence. A person's nationality is subject to change and this definition is less widely used in the UK.[7]
- **Long-term**: Defined by the United Nations (UN) as a person who moves to a country other than that of his or her usual residence for a period of at least a year. The Office for National Statistics uses the UN definition of a migrant in its flow estimates. It is not otherwise widely used in UK datatsets.[7]
- **Asylum seeker**: a migrant fleeing persecution, torture or war who has applied for asylum. If their application is successful and they are granted leave to remain, they become a refugee.

- **Flow**: the number of people migrating from one place to another over a given period of time.[13] Data on flow migration are collected from the **International Passenger Survey (IPS; a port survey)** and inform the ONS **Long-Term International Migration (LTIM)** estimates (Box 1). Data from 2016 shows there were 588,000 migrants who moved to the UK (45% from non-EU countries, 43% from the EU and 13% British citizens).[14] Work was the most common reason for migrating (47%), followed by study (23%) and to accompany or join a family member (14%).[14] **Net migration** (immigration minus emigration) was estimated at +248,000 for 2016, meaning that more migrants were arriving than leaving[14] (see SN06077).

Variations in approaches to measuring migration mean that resulting numbers and trends can differ. This presents challenges when comparing figures or trying to monitor and forecast the short and long-term impact of migration on services such as housing.[15,16] For example, measures of migration stock such as the APS collect residential household data, which may include some short-term migrants (residing for less than a year). It excludes most communal establishments, such as students in halls of residence whose parents are not UK residents and some employer-provided accommodation. Measures of migration flow, such as the IPS, include migrants who intend to reside for more than a year regardless of accommodation type, but exclude asylum seekers and refugees (Box 1). The LTIM includes some adjustments for migrants whose actual length of stay is different from their original intentions and for asylum seekers.[16] ONS is refining existing measures and looking to improve understanding of national and local migration through using other sources of information, such as administrative data,.[17]

The House of Lords EU Committee 2017 report on UK-EU movement of people noted that measurements have the potential to skew policy decisions. For example, the focus on long-term migrants in UK datasets means that some groups (such as students enrolled on courses of over one year) count towards net migration figures, while others (such as seasonal workers resident for less than one year) do not.[18]

## Influence of Migrants on Housing

This section looks at the influence of migrants on housing, including housing tenure type, variation by migrant characteristics and regional differences.

### Housing Tenure Type

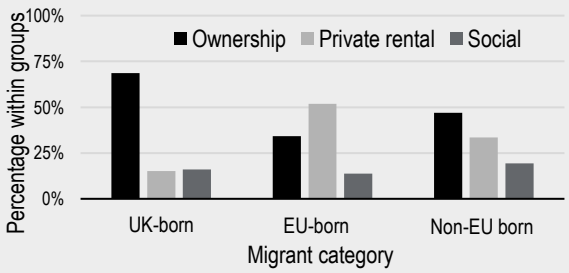
*Owner-occupied*

In 2015/16, the owner-occupied sector accounted for nearly two-thirds (63%) of all housing in England. This sector includes residences that have been bought outright, mortgaged, or that are owned through a part-ownership scheme.[19] Both EU-born and non-EU-born migrants are less likely to be in owner-occupied accommodation than the UK-born population (Fig.1). This remains the case even after controlling for socio-economic characteristics and housing market conditions.[20] Levels of owner-occupation amongst migrants increase to the same level as that of the UK-born population after approximately a decade of residence.[7,16,,21]

*Private Rented*

The private rented sector (PRS) accounted for a fifth (20%) of all housing in England in 2015/16.[19] Approximately 20% of the UK-born population lived in the PRS in 2016, compared to 40% of foreign-born migrants (Fig.1). The number of people living in the PRS increased between 2011 and 2016, but the proportion of UK-born and foreign-born residents has remained broadly similar in that timeframe.[6] In 2011, 15% of the UK-born population, 48% of the EU-born and 34% of non EU-born residents lived in the PRS. In 2016 these figures were 15%, 52% and 34%.[22] Migrants who have been resident in the UK for less than 5 years are more likely to live in the PRS (80% of new migrants live in the PRS; double the average across all migrants) (Fig. 2).[23] Figures include tenants who live rent free, for example where housing is linked to their employment or they are living with a friend or relative.

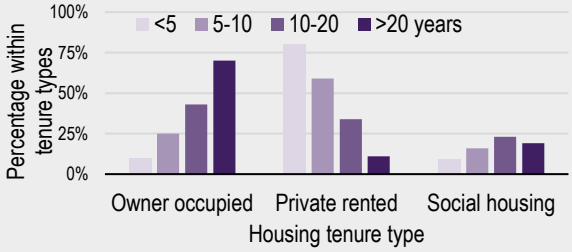
**Fig.1. Housing tenure of UK- and foreign-born residents in England[6]**




Migrants' choices in the PRS are restricted. For example, they may have difficulties in accessing the PRS due to language barriers and a lack of familiarity with the system, or lack required deposits and references.[24] Policies intended to restrict undocumented migrants' access to the PRS may also create barriers for migrants. For example, under the 2014 Immigration Act, the 'Right to Rent' scheme requires landlords in England to check new tenants' right to be in the UK. A 2017 report by the Joint Council for the Welfare of Immigrants (JCWI) found that 42% of 67 landlords surveyed

stated that, as a result of the scheme, they were less likely to rent to anyone without a British passport.[25,26] JCWI also reported that both migrants and British people from BME backgrounds experience discrimination. In contrast, an independent evaluation for the Home Office of phase one of the scheme found no major differences in access to housing.[27,28] Research suggests that new migrants often enter the PRS in areas of low demand, filling less desirable property left by individuals moving into better housing.[29] This may be because some groups of migrants only have access to low-paid or insecure work, but it also reflects variations in perceptions of standards and personal priorities.[29,30,31]

**Fig.2. Housing tenure of foreign-born migrants by length of residence in the UK[22]**




*Social Rented*

The social rented sector accounted for less than a fifth (17%) of housing in England in 2015/16.[19] It includes accommodation allocated through **Local Authorities (LAs)** and Housing Associations.[32] Unlike privately rented homes, social housing is allocated according to need. Many LAs operate a points-based system to take into account eligibility, level of need, and in some cases, how long applicants have been on the waiting list, and local connection. LAs in England must give reasonable preference to people who are: homeless or threatened with homelessness; families with children; the elderly; people living in unsuitable or overcrowded accommodation; those who need to move on medical or welfare grounds, or to prevent hardship.[33,34] To be eligible to apply for social housing, migrants typically need to have indefinite leave to remain, refugee status, or be a worker from the European Economic Area (EEA). Most new migrants are not entitled to social housing[35] (see SN06397 and SN04737). Specific arrangements exist for asylum seekers (see SN01909).

In England, less than a fifth of migrants are in social rented accommodation, similar to the rates for the UK-born population, according to stock data.[36] The vast majority of new social lettings in England in 2015/16 were to UK nationals (over 90%).[37] The Migration Advisory Committee, an advisory non-departmental public body, looked at rates of social renting between migrant and UK-born households in 2014. It found that when differences in the demographic structure of households, the area of residence, and economic circumstances were taken into account, migrant households were significantly less likely to live in social housing than comparable UK-born households (when comparing equivalent households).[1] Evidence thus does not support the perception that social housing allocation favours migrants.[38] The common misperception of migrants 'jumping the queue' may arise in part because migrants living in the PRS are assumed to be social tenants because traditional council estates include properties under a number of different tenure types (e.g. owner-occupied, private rentals and Housing Associations), as well as illegal subletting.[39,40]

## Variability by Migrant Characteristics

Housing demand and preferences vary by migrant characteristics, such as reason for migration (work, study, family or asylum), income level, country of birth and time in the UK.[6,23] For example, refugees might prioritise housing stability, while migrant workers might prioritise low housing costs to maximise capital accumulation.[41] Further, choice in the housing market can be constrained for new migrants. However, as rights and resources can often accumulate as length of residence increases, migrant groups tend to follow similar housing pathways to the UK-born population in respect of tenure type (Fig.2).[41,42] After approximately a decade of residence, migrants tend to demonstrate similar levels of owner-occupation to the UK-born population (63%).[6,43] Migrants use of different tenure types is also likely to be affected by the availability and affordability of housing in parts of the country where they have tended to settle.[6]

## Regional Differences

*Housing*

There is substantial regional variation in the housing market across England and it is growing. A 2017 report by the National Audit Office reported that the price of a semi-detached house in London and parts of the South East is typically several times higher than in Yorkshire and the Humber, the North East and North West. The gap between prices in London and the country as a whole has widened in recent decades. Since 2006, the cost of private rented accommodation has broadly followed changes in earnings across England with the exception of London, where rents rose faster than incomes during this period.[44]

*Migration*

Data indicate that 88% of migrants to the UK reside in England, with the greatest concentration in London, followed by the South East, West Midlands and the East of England.[13,45] Regional variations arise in part as a result of employment of migrants in particular industries, such as agriculture.[46,47] In addition, since 2000, the UK has operated compulsory dispersal, a policy designed to spread the burden of housing asylum seekers across the UK.[48] Reports suggest however, that the policy has resulted in the clustering of asylum-seekers in some of the most deprived parts of the country where housing is cheaper.[40,49]

There is a lack of research on how migration influences housing demand at the local level and evidence that does exist is inconclusive.[23] The few studies that have looked at this suggest that migration may slightly decrease house prices if UK-born residents move out of areas experiencing large inflows of migrants.[50,23] However, this could increase average house prices across the UK as a whole.[23]

## Impact of Housing on Migrants and Communities

### Migrant Wellbeing

A key determinant of health and wellbeing for any group is whether accommodation is adequate, affordable, secure and sustainable.[51,52] Affordable housing confers financial security and decreases the likelihood of falling into poverty and destitution. In addition, location and infrastructure influences employment chances, social mobility and social integration.[53,54] There is a lack of recent research on migrants' wellbeing in relation to housing. However, migrants are concentrated in the PRS (Fig.1), which is characterised by high rates of turnover and is the least secure tenure type.[55] People in the PRS are more likely to report feeling unsettled and isolated.[56] In addition, migrants are more likely to be in crowded housing, which is associated with psychological distress, including anxiety, depression and stress, even after controlling for other factors, such as social-economic status.[57,58]

The psychological impact of adapting and integrating into a new host culture can cause stress in new migrants, leading to physical and mental health problems.[59,60,61] Some research suggests that living in areas where people of the same ethnicity or culture reside in higher proportions, can be important in supporting people to find housing and employment and can have a protective effect for some psychiatric illnesses.[62] This has led some academics to suggest that dispersal policies can compound social exclusion, if social links are not taken into account sufficiently.[63] However, other research suggests that effects are not uniform for all groups and can hinder integration.[52,64]

### Migrant Homelessness

Homelessness has increased in recent years.[44] Estimates vary,[65] but at the national level approximately a fifth (18%) of people accepted as statutory homeless in 2015/16 were foreign-born migrants.[40] Data on rough sleepers in London in 2016-17 suggests that around half were from European countries other than the UK.[66] Individuals who have difficulties paying rent, or who unexpectedly lose their jobs, risk becoming homeless if they cannot claim benefits or apply for some council housing services.[67,68] Migrants can be at high risk of homelessness because they face barriers in accessing mainstream housing and employment, and may not be eligible for, or not know how to claim, welfare benefits.[69] Migrants living in housing tied to their work may become homeless at very short notice if they lose their job.[68] Research suggests most migrants are young and single and so are not regarded by LAs as in priority need.[70]

Specific groups face additional barriers. For example, asylum-seekers granted refugee status are given 28 days to secure a source of income and find somewhere to live before temporary accommodation is terminated.[71] Such individuals are at risk of homelessness if they cannot find accommodation in the given timeframe.[72,73]

**Box 2. HACT Accommodate Project**

The Accommodate project was established by the Housing Associations' Charitable Trust (HACT) and ran from 2003-13. Its aim was to bring together LAs, refugee community organisations (RCOs) and housing providers to enhance integration and increase access to housing and other services in areas which housed asylum-seekers in dispersal accommodation (Leeds, Sheffield, Birmingham, Bradford and Bolton).[74] Independent evaluation of the project highlighted a number of key lessons, such as the value of refugee forums to provide a collective voice and support individual RCOs, and the need to build stronger networks between mainstream, specialist and community organisations in order to create better links with communities.[72,75] These insights fed into the design of follow-on programmes, including in the PRS[76] and projects designed to build community cohesion.[77]

### Integration and Community Cohesion

Studies from UK neighbourhoods on the relationship between immigration, integration and community cohesion indicate that factors such as deprivation and ethnic segregation are important in understanding peoples' perceptions of their local region.[40,78] There is no set pattern of the influence of housing on social cohesion in different localities with similar housing provision.[53] Where migrants live in poor-quality housing that is badly managed, this is likely to have repercussions for the neighbourhood as a whole and raise concerns about the perceived deterioration of the local area.[39,79] Problems with particular types of housing, such as Houses in Multiple Occupation, may exacerbate tensions by resulting in noise nuisance and issues surrounding refuse collection.[80,81] However, public misconceptions about tenure and migration status, together with feelings of unfairness over pressure on housing may exacerbate community tensions between established residents and migrants.[30,38,39,53,53,68,79,82] Some LAs have taken part in projects designed to enhance integration of particular migrant groups, such as the long-running Accommodate project (see Box 2).

The 2016 government-commissioned Casey Review on integration recommended that the Government work with local government to understand how housing and regeneration policies could improve or inhibit integration locally, and promote best practice approaches.[40] A 2017 report on integration for the think-tank British Future looked at potential opportunities for integration policy brought by the formation of combined authorities headed by elected mayors. It argued that mayors should use housing and planning powers to improve the regulation of PRS housing for migrant workers, involve employers in organising housing for their migrant workers and make sure that new housing developments support social mixing.[83]

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