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To: Cabinet, 14 October 2013

Subject: Research into the potential additional impact on Kent public

services of the ending of transitional restrictions on

Bulgarians and Romanians

Classification: Unrestricted

1. Introduction

In April 2013 the Leader of Kent County Council and Cabinet agreed to commission a research report into the potential additional demand on services in Kent, arising from the ending of transitional employment restrictions on A2 countries (Bulgaria and Romania). It was agreed that this research would look beyond KCC services to the wider impact on all public services in Kent, as well as Kent communities and the Kent economy. The research has been led by KCC's Business Strategy in close partnership with the Kent and Medway Local Area Strategic Migration Group and wider public sector partners including Margate Task Force.

2 Scenario Model

To date there has been no official national estimate of the volume of migration from A2 countries that could be expected into the UK as a result of the ending of transitional employment restrictions. In order to help support Kent's services to prepare for the potential impacts of A2 migration the report includes a scenario model.

The model provides a series of 'what if' predictions on the number of migrants Kent might receive and the economic impact this could bring based on previous A8 migration and available information. The report's central scenario estimates that 8,600 Bulgarian and Romanian people could migrate to Kent over the medium to long-term (five to ten years).

3 Key Findings

In general, evidence suggests that Bulgarian and Romanian migrants are likely to be light users of public services. However, the report has identified some potential impacts on individual services. A summary of the key findings for the service areas covered in the research is below:

School places (primary) and educational services

- Over time, demand from A2 migration for primary school places in Kent may add to existing pressure in some areas of the County
- Schools may experience additional demand as a result of in-year migration and the level of school readiness of migrant children
- Pupils with English as an Additional Language may face additional challenges and require support including interpretation, translation and targeted assessment to establish need

Housing and the housing market

- Studies have shown that irrespective of their economic situation up to 70% of migrants are accommodated in the private rented sector.
 Evidence points to A2 migration following this pattern
- Social networks and the presence of existing migrant communities serve as important factors that influence where migrants choose to live. This could have an impact on local rental prices and demand and supply of housing, especially given other pressures on housing in Kent
- Research to date confirms that there is no evidence that social housing allocation favours migrants over UK citizens. New migrants make up less than 2% of the total of those in social housing

Children in Need

- There could be a small number of additional children who are 'Children in Need' as a result of A2 migration
- Child protection issues can be more complex and time-consuming with some migrant families, particularly if they are transient
- Some Roma communities may be more vulnerable to problems of child exploitation, trafficking and prostitution

Health services (focus on A&E, GP services and maternity services)

- Migrants tend to be light users of healthcare, but there is some evidence that treating them can be more time-consuming in some cases
- GP registration amongst migrants can be low and there is some evidence to suggest that they are more likely to go straight to A&E, potentially adding pressure to already stretched A&E departments
- Over time, there is likely to be some additional demand on maternity services, although the scale of this is difficult to predict

Public health

- In general, migrants can experience inequalities in the state of their health and access to healthcare
- The rates of some communicable diseases are higher in Bulgaria and Romania than the UK, and it may be difficult to determine whether migrant children and adults have sufficient immunisation coverage
- Health behaviours and lifestyle factors play a significant role

Community Cohesion

- There is no simple relationship between migration and levels of cohesion, but migration can have an impact when combined with other factors, particularly deprivation
- Language can act as a barrier to community cohesion and access to services

- There is no simple relationship between migration and levels of crime
- Migrants are less likely to report being victims of certain crimes but may be at higher risk of exploitation, discrimination and trafficking

Employment

- Migration can have both negative and positive economic impacts on the host countries
- Bulgarian and Romanian migrants may be most likely to seek and secure employment in construction, household employment (cleaning etc.), manufacturing and accommodation and food services
- There is some evidence to suggest that the ending of transitional restrictions on A2 nationals will be more likely to temporarily increase the labour supply in the agricultural sector than decrease it

Using estimates from the scenario model, the potential additional demand on public services in Kent due to Bulgarian and Romanian migration is estimated to cost £3,120,000 per year, after deducting the additional Council Tax they could contribute. Migrants are expected to make a significant contribution to the wider economy by working and spending money in Kent. The total net economic impact of Bulgarian and Romanian migration into Kent, deducting the expected costs, is an estimated £70,650,000 contribution per year. However, a significant proportion of the economic benefit is likely to accrue at national level, whereas the majority of the costs on public services will be felt at local level in Kent. Also, based on the experience of existing migrant groups, it is likely that some Bulgarian and Romanian migrants who come to Kent will send some of their disposable income back home to family in Bulgaria and Romania. There is no reliable data on which to predict the extent to which this will happen, but it could reduce the economic value in local spending that Bulgarian and Romanian migrants contribute to Kent.

4. Recommendations made in the report

The report includes suggestions of ways in which Kent public services could prepare for A2 migration and provides short and medium- to long-term recommendations for responding to potential Bulgarian and Romanian migration that have arisen from the report. This includes a call to national government to improve the national estimate of annual migration so that local areas have more reliable figures from which to plan. At a local level, KCC and local partners could improve local intelligence and monitoring of migration patterns and jointly commission interpretation and translation services where appropriate.

It has also been recommended that KCC leads the development of a public health needs assessment for migrants as part of the Joint Strategic Needs Assessment, in order to address gaps in knowledge and understanding of migrants' needs and issues arising from migration. The Kent and Medway Local Area Strategic Migration Group have offered to contribute to the development of the needs assessment.

5. Recommendations

That Cabinet approve the recommendations made in the report.

6. Background Documents

• The potential impact on Kent public services of the ending of transitional restrictions on Bulgarians and Romanians - Final Report

Contact details

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