

Scrutiny Sub-Committee C

Tuesday May 12 2009

7.00 pm

Town Hall, Peckham Road, London SE5 8UB

Supplemental Agenda

List of Contents

Item No.	Title	Page No.
5.	Strengthening the census work for the 2011 count	1 – 15
	Population mobility and service provision – executive summary	
	Population Churn – scrutiny report	

Contact

Sally Masson on 020 7525 7224 or email: sally.masson@southwark.gov.uk

Date: May 5 2009

Population mobility and service provision



A report for London Councils

Population Mobility and Service Provision

A report for London Councils

**Tony Travers, Rebecca Tunstall
and Christine Whitehead
with Segolene Pruvot**

LSE London

LSE London
February 2007

Contents

Executive Summary

1. Introduction: migration and mobility in London
2. The Framework of Analysis
3. Research Findings
4. Implications for Public Services
5. Social Cohesion
6. Implications for Resource Allocation
7. Conclusions

Bibliography

Appendices

- A. Selective Literature Review
- B. List of interviewees
- C. Questionnaire

Executive summary

This project has examined, and sought to measure, a number of the impacts of population mobility and transience on London boroughs. It has done this by examining (i) the scale of recent migration and other mobility affecting the capital; (ii) existing sources of research into the costs and consequences of population mobility; (iii) boroughs' own experiences of mobility and the impacts this generates; (iv) estimates of some of the costs of mobility for boroughs; (v) a description of some of the service consequences of population movement, eg, for housing; (vi) the implications of mobility for local government finance and (vii) evidence about the relationship between transience and social cohesion.

The **key findings** of the project are as follows:

Extent of mobility

- There has been a substantial increase in international migration to London within the past decade. There is now a net increase in the overseas-born population of about 100,000 per year. However, the turnover of people moving in and out of the city (excluding within-London moves) is – officially – approaching 250,000 per annum. Unofficial (and uncounted) mobility will almost certainly add to this number.
- London has higher levels of inter-regional mobility than most other regions. This has long been true, though there has been some increase in outward mobility to surrounding regions in recent years.
- London has some boroughs where population mobility is greater than 35% per annum, and where the private rented sector is the largest tenure. This has also been true for many years. What has changed is the nature of the population that is moving, In particular, many arrive in the capital with significant needs for public service support. There is powerful evidence that a number of boroughs act as an 'escalator' for people, investing heavily in them when they first arrive (for example with language skills and housing) before those individuals move on and are then replaced by new ones who require councils to start afresh in building them into the city's economic and social life.

The costs to services

- Apart from the European Commission-funded URBACT study, and work undertaken for the Association of London Government on schools, there is little London-specific (or indeed other) quantitative research about the impact of population mobility on services. Indeed, there is surprisingly little official interest in the subject despite the rapid increase in immigration in recent years, and the stated need for initiatives to enhance social cohesion among new groups within the population.

- Even though there is a commonsense understanding of the costs and consequences deriving from high levels of mobility in a city such as London, it is not always easy to measure whether mobility 'above trend' means that costs become disproportionate to that level of mobility, or to separate out mobility impacts from other cost-drivers within the complex services provided in the capital. But this difficulty does not mean such costs do not exist.
- In particular, it is not clear whether it is the fact that mobility occurs, the nature of the population moving, the extent of churn both within the area and for individuals, or all three - that impacts on costs and social cohesion.
- A number of boroughs have commissioned research about migration and minority ethnic residents, though few have looked specifically at mobility impacts and costs.
- Borough officers can, in some cases, give examples of additional costs arising from high levels of mobility. Such costs include:
 - Translation and other costs associated with integration

A rapid turnover of new migrants to a borough, many of whom then move on to other areas, creates a demand for language training and translation services. The number of 'origin' countries has grown significantly within the last decade, adding significantly to many boroughs' costs. Eastern European languages; Turkish; Spanish; and a number of African languages have become more prevalent. Compared with earlier waves of migration to the UK, which were predominantly from English-speaking countries, new migrants are more likely to arrive from non-English nations.

- Housing administration and maintenance costs

New migration has increased the demand for social housing, particularly in boroughs where larger families have arrived. Temporarily-housed households will often move on and thus generate higher administrative costs. Families will, on occasions, have members with special needs that will mean the need for adaptation of homes – possibly temporarily. Homes that are vacated often need to be refurbished. Mobility above previous trends thus generates higher housing costs. Equally, increased demand for housing, especially from transient and lower income households, increases the demand for Houses in Multiple Occupation and

increases associated regulatory and social service costs.

- Electoral registration turnover costs

The research suggested measurable additional costs as people move into, out of, and within boroughs. Senior officers are unanimous that (a) population is often under-recorded and (b) there are a number of growing pressures on electoral registration of which mobility is significant. Boroughs have in some cases had (or are about) to take on between 1 and 5 additional staff each to cope.

- Council tax registration costs

In common with electoral registration, council tax registration has increased as more people move in and out of boroughs. Many buildings are now multiply-occupied in complex ways. It is not always clear to people what constitutes a 'household' or property. New migrants may have no experience of this kind of local taxation and will need to have the rules explained to them. More staff have had to be taken on.

- Costs of planning law contraventions

Pressure on properties as a result of mobility and rising occupation levels has, in some boroughs, led to contraventions of building requirements which the authority must then address. This may take planning officers time in terms of inspection, serving papers and then checking changes have been made. There needs to be sensitivity in dealing with such issues where people simply do not understand local planning rules.

- Public assistance costs of migrants with no other means of support

Local authorities are required, by law, to provide resources to residents who have no other means of support. Many such individuals and families are transient. London boroughs are, in some cases, spending over £1.2 million a year on this kind of provision.

- Homelessness provision and administration

Some 65,000 households in London are officially categorised as homeless. Mobility has increased the

number of homeless households within many boroughs, because of the scale of migration and the changing nature of the population. This increase also puts pressure on the administration of the service.

- Social services

There are disproportionately high numbers of children in need, and looked after children, in and around London. The high level of movement in London, within and between boroughs, for schooling and other statutory and non-statutory services produces costs. A recent study for DfES and the Government Office for London has accepted this as an issue.

Impact on social cohesion

There is general recognition that mobility and diversity can test the social cohesion of neighbourhoods. However there is also recognition that incomers may help to improve services and bring increased opportunities to the area. A number of boroughs noted in particular that the increasingly diverse nature of in-migrants across London helped to reduce tensions as compared to some areas with concentrations of particular migrant groups.

Concerns about cohesion can often be directly related back to issues about access to services and the priority sometimes given to new migrants. In this context, rapid turnover of new migrants can lead to a need for political management of public expectations and opinion. Of broader concern is the possibility that rapid turnover of residents, and indeed employees such as teachers, in some parts of London undermines the social capital and liveability of places.

Some boroughs believe that a particular issue generating higher mobility and lower social cohesion is the increasing importance of 'buy to let' housing. In part this is because some of this housing is used to house homeless households; in part because new types of housing bring in new types of more transient households.

Funding issues

The Revenue Support Grant (RSG) needs-equalisation formula attempts to measure such factors as the costs of 'sparsity' despite the lack of any significant research base to measure the costs of servicing sparsely-populated areas. There is no equivalent measure in the formula for population mobility or transience. Indeed, there appears to be a perception within government that mobility is too difficult to measure and thus cannot be fed into formula grant calculations – implicitly giving these costs a zero weighting.

The RSG has in recent years become less flexible and less capable of reflecting new spending needs. Indeed, the formula used to measure spending need is frozen and changes in grant from year to year are subjected to 'floors'. Education funding has recently used 'last year plus a fixed percentage' grant allocations. If Whitehall

allocations of resources to councils are to reflect the costs of mobility, either the RSG formula will have to change and/or new specific grants will have to be paid to authorities experiencing high levels of population mobility.

England's local government funding system is so centralised that local authorities have little or no freedom to benefit from any growth in their tax base as a result of increased population or economic activity resulting from mobility and migration. The most usual response to significant pressures – eg in terms of language teaching and A&A rooflessness - is for central government to provide highly targeted, and often short term, grants which cannot address structural issues effectively.

In looking for a way forward, it should be recognised that many mobile and transient households impose few costs on their local area and make no negative impact on social cohesion. On the other hand, there are a number of service areas identified in this report, where there are clearly disproportionate costs associated with mobility that should be taken into account. Moreover, in education in particular, there are extremely good data about mobility in schools that would offer a basis for research about the costs associated with mobility. Somewhat similar information is available with respect to housing, particularly with respect to homeless and roofless households.

Conclusions

The report's authors conclude that the issues involved in mobility are not always about mobility as such – there are many situations where mobile populations impose little or no additional costs and are readily integrated into the locality. Indeed many transient households use fewer local services and make few demands on the locality. Equally, there are many examples of mobility and migration benefiting services.

There are, however, many types of mobility that do impose additional costs normally associated with the needs of particular households – these vary from the need for translation services, to specialist support for the homeless.

Measurement of, and resource funding for, population mobility will always present central and local government with challenges. New spending needs and populations concentrated in a small number of areas are difficult for a centralised system of funding to respond to quickly. Moreover, there is considerable uncertainty about national and local population totals.

London boroughs are at the cutting edge in enabling Britain to manage international in-migration in a politically acceptable and orderly way. They are not alone in this – there are authorities both close to London, and in other cities, that face similar issues. Local authorities will only be able to continue to address these issues effectively if their quality of management, local services, and resources fully reflect the profound challenge presented by mobility and migration. There is, at present, a risk that as migration and mobility continue at high levels year after year, London may find it increasingly difficult to cope with the costs and consequences of such impacts.

Population Churn

The initial scoping paper for Scrutiny Sub-Committee C's Population and Migration review suggested the following questions should be considered by the committee:

- 1) What are the facts of Southwark's population churn and how does that compare with other authorities?
- 2) What do we know about the impact of that churn?
- 3) What should we do next to add to our understanding of churn and manage the impact it has?

This paper summarises existing knowledge in response to these questions and suggests some possible next steps for the Council to take.

This information has been gathered together by the Corporate Policy team and represents the existing level of understanding, rather than a fully comprehensive record of all the Council's work on this subject. Work is ongoing to build a better shared understanding across the Council of the impacts of population churn.

1. The facts of Southwark's population churn

- 1.1 Given its position as a global economic centre, London has long been a powerful magnet for people from across the UK and the world, giving it a vibrant, diverse and constantly changing population. This movement of people has strengthened London's standing as a global city and brought significant economic and social benefits.
- 1.2 Over the past decade, there has been an increase in international migration and there is now an estimated net increase in the overseas born population of London of about 100,000 per year. However, the turnover of people moving in and out of the city (excluding within London) is estimated at almost 250,000 per annum.
- 1.3 There is also a substantial amount of movement within London, encouraged by London's active housing market, the large numbers of the population with no settled homes and the scale of the private rented sector. At least three kinds of mobility can be observed in London – to and from overseas; to and from the rest of the UK; and within London itself. London's position as the nation's capital and financial centre means that much of the inward migration into London is from elsewhere in the UK and not solely from overseas.
- 1.4 Research by the London School of Economics (LSE) has found some that some London boroughs have levels of population mobility greater than 35% per annum of the population¹. The LSE's report also suggested that those arriving in London often do so with significant needs for public service support (e.g. with language skills and housing), but that once they have received support, they are likely to move on to other parts of London or the UK and be replaced with new arrivals requiring similar support.

¹ Population Mobility and Service Provision: A report for London Councils, LSE, 2007

- 1.5 Southwark's population continues to grow at a faster rate than the national average, and both the Office for National Statistics (ONS) and the Greater London Authority (GLA) predict that Southwark's population will continue to grow over the next two decades. Recent years have seen an increase in diversity as well as in absolute numbers, with new communities not only from the A10² accession countries in the EU, but also from Sierra Leone, Franco-phone Africa and Latin America.
- 1.6 Southwark has always been a borough with high in and out migration, as well as people moving within the borough. For example, at the time of the 2001 Census, about 30,000 people had lived elsewhere in the previous twelve months, while some schools report that up to 30% of pupils taking Key Stage 2 tests joined the school other than in reception year.
- 1.7 This rapid transformation of our community profile presents public services with additional costs. The LSE estimated that London Councils in aggregate are spending in excess of £100 million a year in dealing with the pressures resulting from high population mobility.³
- 1.8 However, while population mobility is recognised as a significant issue for Southwark, and London as a whole, much of the recent attention in this policy area has been focused on absolute population numbers in areas in order to influence funding allocation from government. Further work is also needed to better understand the impacts and costs of population mobility on public service delivery, as well as the impact it can have on community cohesion.
- 1.9 Officers have been supporting a pan-London project led by the London Collaborative (a collaboration between Capital Ambition and London Boroughs) to build a greater understanding of population flows across London. This work has so far provided information about the intelligence held by other local authorities in London and Southwark Council will continue to contribute to this work as it develops.

2. The impact of churn

- 2.1 The arrival of new communities into Southwark does have a recognised and significant impact on the services the Council delivers, although further work is needed to fully understand and quantify this. The Council has relied on existing budgets to manage these pressures and meet the needs of local communities and maintain community cohesion, but improved understanding would allow more to be done to predict and mitigate against likely future impacts.
- 2.2. Southwark Council has recently submitted a bid to the Migration Impacts Fund, a two-year fund created by the Department for Communities and Local Government (CLG) to assist local areas in dealing with the short-term funding pressures that migration can have on local public services. The projects that were submitted to this bid provide a useful snapshot of some of the key impacts that churn has on Southwark. Some of the main policy issues to

² A10 refers to the ten Accession states which have joined the EU since 2004 (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia)

³ Population Mobility and Service Provision: A report for London Councils, LSE, 2007

emerge from this process are summarised in the table below, although these are just some of the impacts emerging from an issue which has a much broader impact.

Service	Impact
Housing	<p>Many people choose to live in private rented housing when they first arrive in Southwark. Private rented housing makes up 27% of the housing tenure in Southwark, and has grown from 14.8% in 2001. A significant percentage of the private rented housing market is Houses in Multiple Occupation (HMOs), which are often the only option for migrant workers. HMOs used to be the domain of the single person yet we are now finding these properties occupied by families who, because of their migrant status, find themselves at the bottom of the housing market. The crowding that can take place in such dwellings is detrimental to the health of adults and children. These houses are poorly insulated, draughty, with heating systems that are inefficient leading to health problems from excessive cold and associated dampness, and the inability to afford the heating for their accommodation. In many cases safety requirements are not fully adhered to, including basic fire safety regulations. As a result the risk of accidents is increased. The severe restriction on space and poor standards of health impact on children and child development. Migrant workers are thought to occupy a significant percentage of HMOs in Southwark, with the most common issues being around fire safety, inadequate provision of kitchens and bathrooms, and overcrowding.</p>
Education	<p>Schools in Southwark serve very diverse local communities. More than 70% of pupils in Southwark are from black and minority ethnic communities, while over 40% of pupils in Southwark do not speak English with their parents at home.</p> <p>Pupils who spend less than the expected time in a key stage tend to attain lower results in SATs (particularly if they have had limited previous educational experience or have to acquire English as an additional language) contributing to lower overall results. For some schools, the total number of mobile pupils on roll identified in the school census does not give an accurate representation of the comparative turbulence of joiners and leavers that they manage, which may adversely affect future funding allocations. Schools also have to respond to the impact of dislocation and loss on pupils' progress and accompanying issues such as family separation, homelessness and social deprivation.</p> <p>At secondary school level, there are some links between children who newly arrived in the UK and higher levels of truancy due to disengagement with education, which then puts them at risk of becoming NEET (Not in Education, Employment or Training) at age 16. West African children and girls from a Muslim background have been identified as being particularly vulnerable in this regard.</p>
Health	<p>When people arrive in a new area they do not always immediately register with their local GP, with research in London showing that nearly 40% of people took longer than 6 months to re-register with a</p>

	<p>GP after a change of address, and 13% more than a year. This delay in people registering with their GP has a significant impact around screening and immunisation programmes and the ability of health professionals to engage the public in health promotion campaigns. More mobile populations make undertaking preventative care much more difficult as by its nature this requires a stable local population and a reliable way of contacting people who may need preventative support. GP registrations are also used as one means of measuring population movement within the UK, and yet are not always accurate if people do not choose to re-register immediately after moving.</p> <p>Access to health services, particularly primary care, is a significant issue in relation to migrant communities. People who are new to the borough and who may not understand how to navigate the health system often attend Accident and Emergency wards even with only minor health complaints as they are not aware of primary care services. This increases demand for emergency health care and has an effect on all users of health services. For example, an analysis of local A&E attendees in 2006 showed that West African families with children under 5, Polish people under the age of 30 and members of the Latin American community were attending A&E for predominantly primary care needs across Southwark and Lambeth. An analysis of A&E attendances over a three month period in 2007/08 by North Southwark GP practices found that 44% of these attendances could have been seen within a primary care setting both out of hours and also within hours.</p>
Rough Sleeping	<p>Since the accession of the A10⁴ countries to the EU in 2004, a large number of economic migrants from these countries have entered the UK to seek work. A particular issue for Southwark is the number of A10 migrants who are resorting to rough sleeping or are at risk of rough sleeping (e.g. those that are squatting), which is growing issue during the economic downturn. As at Southwark's official rough sleeper count on 2 April 2009 there were 15 rough sleepers, of whom 6 were A10 nationals (and a further 2 eastern Europeans). However, this figure is only a snapshot and there are known to be significantly higher numbers A10s sleeping rough or at risk of doing so in Southwark. Of particular concern is the fact that there are significant issues with crime and anti-social behaviour associated with a small but significant number of this group. This is a particular issue in the north of the borough where there are a number of homelessness centres which can attract rough sleepers to the surrounding area as a result.</p>

- 2.3 The Revenue Support Grant (RSG) formula does not measure population mobility or transience, although it does measure sparsity of population to support local authorities with the costs of servicing sparsely populated areas. Furthermore, the centralised nature of the local government funding system means that local authorities are unlikely to benefit from any growth in their tax base as a result of increased population or economic activity resulting from mobility or migration.

⁴ A10 refers to the ten Accession states which have joined the EU since 2004 (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia)

3. Next steps

- 3.1 Understanding Southwark's population both in quantitative and more qualitative respects is of great importance, not only in securing more sufficient funding allocations from Government, but also in ensuring that we design and deliver appropriate services to our communities.
- 3.2 A number of assumptions about churn remain untested and need further consideration. For example, the impact of regeneration on the level of churn could be explored, or the impact that it has on educational attainment or health outcomes might need further examination. More generally, evidence-based policy making and service design and commissioning will benefit from a more nuanced and comprehensive understanding of Southwark's population and its movements.
- 3.3 Following the preliminary research underpinning this paper, officers have identified a number of potential workstreams to improve understanding of the extent of population churn within the borough, the impacts of that churn, and developing a strategy and action plan in response. These are as follows:
 - 1) Commission a research project to gather the best available intelligence about shifting patterns of migration and movement within Southwark, bringing together existing knowledge within the Council and drawing on external support where required.
 - 2) Given the impact that churn has across a range of public services in Southwark, lead a discussion with the Southwark Alliance to build cross-partner awareness of population churn and consider a coordinated and jointly-resourced response.
 - 3) Work closely with other local authorities in London to better understand the movement of people in and around London and explore opportunities for sharing information and resources on this issue.

Dan Gilby

**Corporate Policy Officer
Southwark Council**