

# Population mobility and service provision



A report for London Councils





# **Population Mobility and Service Provision**

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## 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.