Migration and Housing in Wales

Key points

- The Welsh Government has responsibility towards migrants living in Wales under its housing, health, education and social service functions and through its community cohesion agenda.

- **Housing is a devolved issue in Wales** which means that responsibility for policy in this area lies with the Welsh Government.

- There are an estimated **1.35 million homes in Wales** of which around **70% are owner-occupied**. The remainder are split between homes rented from local authorities or housing associations (16%) and homes rented from private landlords (14%).

- There are a number of challenges facing housing in Wales, the most significant of which is that **people are living longer**. By 2026, nearly a quarter of the population is expected to be over 65 years of age and nearly one in twenty people over 85 years of age.

- Changing patterns of international migration to Wales have coincided with significant changes in the housing market most notably **household growth** as a result of people living longer and more people living alone or in smaller households.

- **Housing options for international migrants in Wales** depend on their immigration status and associated legal rights, as well as their financial resources and opportunities.

- Research in North and West Wales has found that **inward migration from the affluent suburban parts of Liverpool, Manchester, Birmingham and from the South East** rather than international migration has had the greatest impact on housing.

- The majority of migrants entering the UK in recent years have had **restricted access to social housing** and in 2009 recent migrants made up **less than 2%** of all those in social housing.

- Increased immigration has had the **greatest impact on the private rented sector**. Some research suggests that 60-90% of recently arrived migrants live in private rented accommodation although longer established migrants tend to have accommodation similar to the UK-born i.e. they are homeowners.

- There is evidence that migrants in Wales renting privately or living in accommodation provided by their employers (tied accommodation), are living in **overcrowded housing** that is in a **poor state of repair**.

- Around a third (30%) of migrant workers have experienced **homelessness** whilst living in Wales. Migrant workers may be vulnerable to homelessness due to exploitative employment practices, poor quality housing and a lack of entitlement to public funds such as housing benefits and/or social housing.

- There is evidence that refugees who have been granted leave to remain in Wales may have **difficulties in accessing appropriate accommodation** due to the relative scarcity of social housing and affordable private rental accommodation.
The policy context

Although powers relating to asylum and migration are not devolved, the Welsh Government has responsibility to migrants living in Wales under its housing, health, education and social service functions and through its community cohesion agenda. As a result the Welsh Government is a key player in relation to the inclusion of migrants in Welsh society.

Policies towards migrants in Wales are developed in the context of the Welsh Government’s strategic agenda, specifically the Programme for Government (Welsh Government 2011), and within the framework of UK, European and international legislation.

The Programme for Government sets out specific actions the Welsh Government is taking to ‘create a fair society free from discrimination, harassment and victimisation with cohesive and inclusive communities’ (Welsh Government 2011). The Government aims to do this by reducing inequality in education and skills, health, housing and employment outcomes for people with protected characteristics (including race), increasing public services satisfaction rates and reducing the incidence of hate crime.

The public sector equality duty (Equality Act 2010), also referred to as the ‘general duty’, came into force in April 2011 and aims to ensure that public authorities and those carrying out a public function consider how they can positively contribute to a fairer society in their day to day activities through paying due regard to eliminating unlawful discrimination, advancing equality of opportunity and fostering good relations.

In order for public bodies to better perform their public sector equality duty (PSED), the Welsh Government was the first government to bring in specific equality duties as set out in Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011. The regulations were approved by the National Assembly for Wales and came into force on 6 April 2011.

The specific duties are more far reaching in Wales than in England and place duties on the public sector covering engagement, equality impact assessments, pay differences, procurement, reporting arrangements, review and equality and employment information.

Public authorities in Wales published their equality objectives and their Strategic Equality Plans in April 2012 which clearly laid out the actions the public sector is taking to fulfil the PSED.

Housing in Wales

Housing is a devolved issue for the Welsh Government, which decides on the budget to be allocated to housing (and different aspects of housing), determines priorities, develops national strategies and policies, issues guidance and passes secondary legislation. While primary legislative powers remain with Westminster, the Welsh Government is increasingly seeking a broad scope within the primary legislation to pass secondary legislation which meets the needs of Wales (EHRC 2009).

There are an estimated 1.35 million homes in Wales of which around 70% are owner-occupied. The remainder are split between homes rented from local authorities or housing associations (16%) and homes rented from private landlords (14%). The number of homes rented from local authorities has fallen dramatically over the last thirty years as people have taken up opportunities to buy their home and as tenants have decided to transfer responsibility for managing their homes to new housing associations. The private rented sector is an increasingly important part of overall housing provision in Wales (Welsh Government 2012).

In April 2010 the Welsh Government launched its national housing strategy Improving Lives and Communities – Homes in Wales (Welsh Assembly Government 2010a). The Strategy sets out the challenges in meeting Wales’ housing requirements and the priorities and actions that will be taken. The Strategy identifies a number of challenges facing housing in Wales:

- The demand for housing continues to outstrip supply, which needs to be met by new houses and by bringing back into use empty properties;
- The credit crunch has increased the demand for affordable housing;
- The ageing population has significant implications for the design of houses and the support available to help people to live independently for as long as possible;
- The age and quality of current social housing stock means that substantial improvement is required, not least on energy efficiency; and
- There is increased demand on housing and housing-related support services, including those that deal with homelessness.
According to the Welsh Government, the most significant change in terms of population which is affecting the demand for housing in Wales is the fact that **people are living longer**. By 2026, nearly a quarter of the population is expected to be over 65 years of age and nearly one in twenty people over 85 years of age (Welsh Assembly Government 2010a).

At the time of writing, the first Housing (Wales) Bill is currently undergoing scrutiny by the National Assembly, and is likely to receive Royal Assent in Summer 2014. The Bill seeks to improve housing standards, increase affordability, enhance communities and help prevent the difficulties and lack of opportunities often encountered by vulnerable people.

The key features of the Bill are to:

- Introduce a compulsory registration and licensing scheme for private rented sector landlords and letting and management agents;
- Reform homelessness law, including placing a stronger duty on local authorities to prevent homelessness and allowing them to use suitable accommodation in the private sector;
- Place a duty on local authorities to provide sites for Gypsies and Travellers where a need has been identified;
- Introduce standards for local authorities on rents, service charges and quality of accommodation;
- Reform the Housing Revenue Account Subsidy system;
- Give local authorities the power to charge more than the standard rate of council tax on homes that have been empty for a year or more; and
- Assist the provision of housing by Co-operative Housing Associations.

The proposals aimed at improving standards in private rented sector accommodation, and preventing homelessness will be particularly important for migrants seeking housing in Wales.

The **housing options for international migrants in Wales** depend on their immigration status and associated legal rights, as well as their financial resources and opportunities. The majority of migrants have restricted access to social housing and therefore have to rely on the private rented sector (PRS) for accommodation (Shelter 2008). Only some recent migrants are eligible for social housing but with time and changing circumstances others become eligible too. The rules are complicated and differ in the four parts of the UK.

The website of the Housing Rights Network at [www.housing-rights.info](http://www.housing-rights.info) provides detailed information on housing entitlements and is updated regularly. In very general terms:

- **EU nationals** are allowed to apply for housing on the same basis as UK nationals, provided that they are working;
- **Asylum seekers** are not eligible for social housing. The UK Border Agency is responsible for housing asylum seekers. They are accommodated in the PRS and can be dispersed anywhere in the country on a no-choice basis;
- **People with refugee status, humanitarian protection and discretionary leave** stay are allowed to apply for housing on the same basis as UK nationals;
- Generally, **people from outside the EU** have no recourse to public funds. Migrants from outside the EEA arriving on the family or economic migration routes are eligible for social housing until they become British Citizens.

**The relationship between migration and housing**

The relationship between migration and housing has attracted widespread public and media attention over recent years, with widespread accusations that migrants get unfair access to social housing (discussed below).

The issues and challenges around housing and migration have grown significantly, particularly with the increasing diversity of new migrants and the arrival of increasing numbers of migrants from the A8 countries (see briefing on International Migrants). However **changing patterns of international migration to the UK and Wales have also coincided with significant changes in the housing market**. Household growth is one of the factors influencing housing demand. This growth is a result of people living longer, more people living alone or in smaller households as well as net migration and higher birth rates in some areas (Department of Communities and Local Government 2009). There is some evidence to suggest that the housing shortage in the UK would continue even with zero net-migration (Migration Observatory 2013)

The relationship between housing and migration is complex. The factors which affect the demand for housing in Wales (as elsewhere) include changes in:

- The local and national population;
- Population trends, such as people living longer;
- Changes in society more generally;
People moving in and out of areas;
Patterns of working and living.
The choices that people make in their lives;
The economy, including interest rates and the availability of mortgages.

The impact will also depend on the characteristics of migrants themselves (e.g. age, income level, type of visa, time in the UK), preferences (e.g. household size, renting versus owning, minimum acceptable level of quality of accommodation) and restrictions on access to social housing. Therefore, different types of migrants, with different rights, opportunities and resources are likely to have very different experiences in and impacts on the housing system (Migration Observatory 2013).

The impact of migration on housing can also be expected to vary across local areas with different housing markets and experiencing different scales of migrant inflows and outflows. There can also be important inter-relationships between the owner occupier sector and the private rented sector. For example, the increased demand for rented accommodation may encourage more investors to enter the buy-to-let market, which in turn could increase house prices.

In some areas, new migrants have filled vacancies in the local market, often created by other residents moving to more desirable areas. For example, in Sheffield, Polish workers tend to move to areas that once accommodated students, often living in houses of multiple occupation (HMOs) due to the increase of purpose-built student accommodation developments.

In areas of high housing demand, some migrant workers have to compete with other low-wage workers for properties at the bottom end of the private rental sector (Shelter 2008).

There is some evidence on the relationship between migration and homelessness in Wales. In 2009 the Welsh Government published research on the effects of recent migration on local authorities’ allocation of housing and actions under homelessness legislation which was commissioned in response to concerns expressed locally, regionally and nationally about the level of housing demand generated by migrant households in certain areas (particularly the coastal and rural areas) of Wales (Welsh Assembly Government 2009).

The research focused on six coastal authorities in the north and west of Wales: Anglesey, Ceredigion, Conwy, Denbighshire, Flintshire and Gwynedd. The research found that the impact of international migrants on the housing market was limited and there was no evidence to suggest that migrant workers from outside of the UK were accessing social housing in these areas of Wales.

The research found that the vast majority of immigrating households to these parts of Wales have moved from the affluent suburban parts of Liverpool, Manchester, Birmingham and South East England to downsize from more expensive to relatively cheaper owner occupied housing in rural communities. These groups will have an impact on demand for social housing by contributing to increasing house prices and pricing out local households in what are generally ‘low wage’ areas (Welsh Assembly Government 2009).

Migration and social housing

Much of the debate around the impact of immigration on housing has focused on migrants’ eligibility for social housing. The rules on eligibility for housing assistance for people from abroad are extremely complex (Shelter 2008; Perry 2012).

The majority of migrants entering the UK in recent years have had restricted access to social housing (Rutter and Lattore 2009; AAPG 2013).

Social housing is allocated according to need. However, in order to be considered, an applicant must be eligible. Those people from abroad who may be eligible for housing assistance still have to qualify for assistance in line with a local authority’s housing allocation scheme, or meet the criteria under which a statutory duty arises to households that are homeless. Housing applications are considered on the same basis as UK nationals. An independent Equality and Human Rights Commission and Local Government Association review into social housing found no evidence that social housing allocation favours foreign nationals over UK citizens (Shelter 2008).

New migrants to the UK over the last five years make up less than 2% of the total of those in social housing. Some 90% of those who live in social housing are UK born. Most of the newly-arrived migrant group who occupy social tenancies are refugees who have been granted permission to remain in the UK. This group is numerically small in relation to the total of social tenants in the UK. For example, it is estimated that 19,200 Afghanistan-born persons were social tenants in the third quarter of 2007, out of

Perceptions that migrants displace UK-born social housing applicants may arise from the fact that some private rented housing which is now home to migrants is former social housing stock
10,337,300 total social tenants in the UK (Rutter and Lattore 2009).

Much of the public concern about the impact of migration on social housing has, at its roots, the failure of social housing supply to meet the demands of the population. House building has not kept pace with the increase in housing demand. As noted above, household growth is one of the factors influencing housing demand. There are also misperceptions in relation to the allocation of social housing. In many parts of the UK, the sale of social housing and its subsequent use as private rental accommodation for migrants has fuelled misconceptions about the allocation of social housing. Local residents may believe it is still 'owned by the council' despite it now being in the private sector (Rutter and Lattore 2009).

In Wrexham for example, research commissioned by the Welsh Assembly Government (2010b) found that some local residents hold misconceptions about migrant workers’ entitlements to social housing. Some members of the host community said that the increase in migrant workers was adding pressure to housing services but this was contradicted by interviews with local authority staff. Only 7 properties of local authority housing were allocated to Polish people in 2007, compared with 4 to white Portuguese residents and 721 to people identifying themselves as White British.

**Impact on the private rental market**

Evidence shows that increased immigration has had the greatest impact on the private rented sector (PRS).

Migrants are heavily concentrated in the PRS during their first three years in the UK. The findings of research vary. Research by IPPR (2008) found that 60% migrants who arrived in the UK between 2003 and 2008 lived in private rented housing. A report to the Migration Impacts Forum estimated that around 90% of people who arrived in the UK in the last two years currently live in the PRS. Evidence from the Migration Observatory shows that recently arrived migrants are ‘three times as likely to be in private rental sector (36%), compared to a UK-born person (12%)’ although longer established migrants ‘tend to have accommodation similar to the UK-born’ (AAPG 2013).

Although most recent migrants from outside the European Economic Area (EEA) cannot claim social housing benefits, non-eligible migrants may still increase the demand for social housing by increasing process and rents thereby displacing the eligible population from the private rental sector (Migration Observatory 2013). The magnitude of this impact depends on the responsiveness of the supply of housing to changes in demand.

Finally, there is some concern about the impact of migration on house prices but the evidence in this regard is inconclusive due to the wide range of factors involved.

A report for the Migration Advisory Committee (MAC) produced by a team of researchers at the London School of Economics LSE found that Tier 1 and Tier 2 migrants (highly skilled) have a very limited impact on the market for housing and access to that market (Whitehead et al., 2011). The authors conclude that the impact on house prices of the accumulated increase in Tier 2 type immigrants over a five-year period is likely to be well below 1%. This might generate some transfer of properties to the rented sector but the effect on total new supply is likely to be very limited.

**Migrant experiences of housing and homelessness**

Research by Robinson et al (2007) has found that the arrival experiences of new immigrants are largely determined by their immigration status, associated legal rights and related opportunities. This leads to clear distinctions in the housing situations of different groups. For example, asylum seekers are initially reliant on the National Asylum Support Service (NASS) for accommodation and subsequently move into social housing or private sector accommodation if they are granted leave to remain. In contrast, the restricted rights of migrant workers to welfare benefits means that they are reliant on the private rented sector for a place to live.

There is evidence that some migrant worker have difficulties securing affordable accommodation.

Most new immigrants move into temporary accommodation upon first arriving in the UK. The Local Government Association reports that many migrant workers renting privately or living in accommodation provided by their employers (tied accommodation), are living in overcrowded housing that is in a poor state of repair, and very often the property is at risk of fire (Shelter 2008; Shelter Cymru 2010).

Another study found that poor housing conditions and overcrowding were commonly
experienced by migrants. While in some cases, landlords were responsible for the overcrowding, in others, migrants chose to sublet in order to reduce their housing costs (Spencer et al. 2007).

Research commissioned by the Welsh Assembly Government (2010b) found that migrant workers in Wales tend to live in rented accommodation either tied to their employment or privately rented through a managing agent or landlord. Very few have bought their own homes and very few are in social housing or in receipt of housing benefits.

The most common example of tied accommodation in Carmarthenshire is of migrant workers employed through an employment agency, which owns and rents various properties to its migrant worker employees, deducting the rent from their wages.

In Newport migrant workers find accommodation through various avenues, including employment (tied accommodation); letting agencies; and informal networks (friends/family). When migrant workers first arrive in the area they tend to stay with friends or family members until they have secured their own accommodation. Low-cost private rental housing, and houses of multiple occupation, (HMOs) are typical of the accommodation accessed by migrant workers.

There have been reports from other agencies of migrant workers living in extremely poor accommodation and suffering overcrowding. For example, in one property, which was closed down, there were 28 Czechs living in a two bedroom apartment (WAG 2010b).

Research by Shelter Cymru (2010) has identified a wide range of housing experiences among central and eastern European migrant workers living in Wales. Most migrants who participated in the research had experienced poor or insecure housing when they first arrived in Wales. Tied accommodation was also a problem for a small proportion. Over time, as migrant workers become more settled, they generally move into better quality accommodation. Some migrant workers however continue to experience housing that they class to be of poor quality. This evidence indicates that there may be barriers to good quality housing that remain even after migrant workers have lived in Wales for a considerable period of time.

Around a third (30%) of migrant workers who participated in the research have experienced homelessness whilst living in Wales.

The causal factors associated with homelessness among migrant workers are similar to those faced by the general population and reflect a combination of structural and individual factors including unemployment, poverty, and relationship breakdowns with conflicts within households. However, there is evidence from the research that the vulnerability of migrant workers to homelessness and poor housing conditions can be exacerbated by the practices of some employers or employment agencies especially in relation to tied accommodation.

Some migrants have experienced homelessness as a result of the loss of accommodation tied to employment and are also exposed to exploitative employment practices and poor housing. This problem may be exacerbated by a lack of entitlement to public funds such as housing benefit and/or social housing.

**Refugee housing experiences**

Housing is widely considered to be a cornerstone for successful refugee integration. Asylum seekers who are dispersed to Wales are provided with accommodation on a ‘no choice’ basis by private sector accommodation providers, under contract to the Home Office (the part that was formerly the UK Border Agency).

Accommodation providers are required to provide a basic level of support throughout the duration of the asylum claim period. People granted refugee status, temporary or indefinite leave to remain are eligible to apply for social housing to their local authority, or to Registered Social Landlords (RSLs) who are independent housing organisations. However in Wales, as elsewhere, refugees who have been granted status experiences particular difficulties in accessing appropriate accommodation (Crawley and Crimes 2009). These difficulties are associated in significant part with the relative scarcity of social housing and affordable private rental accommodation.

A survey of refugees living in Wales published in November 2009 found that a significant majority (89.4%) of refugees live in rented accommodation, with the council or local authority being the landlord for two thirds (Crawley and Crimes 2009). Very few refugees own their own property (4.1%). Some refugees do not have their own home but are staying with family or friends, or living in temporary or hostel...
accommodation. Others are effectively homeless. Refugees who move may become homeless because of the requirement that they have a ‘local connection’ with the area in which they are living in order to be entitled to homelessness services. Single refugees may not be able to access social housing because they are not considered to have ‘priority need’ status. Concerns were also expressed about the attitude and behaviour of other residents towards themselves and their children.

A study involving 35 focus groups with refugees in Wales identified a series of issues in relation to housing, including access to translation facilities, information, poor quality temporary and permanent accommodation and practices that work against integration (Threadgold and Clifford, 2005). A further scoping project focusing on refugees and housing identified a similar range of issues as well as identifying a range of good and innovative practice in relation to service provision (Robinson, 2006).

Research by the ECHR (2010) has also identified issues with the quality of housing provided to asylum seekers and refugees together with examples of poor practice among housing providers and front line staff which can make people feel vulnerable and insecure in their own homes. The housing situation of asylum seekers who have been refused refugee status but cannot or will not return to their countries of origin is particularly precarious. They may find themselves on the streets or else ‘sofa surfing’, in abusive relationships and/or engaging in transactional sex in order to have a place to live (Crawley et al. 2011).

The Welsh Government funds the Well-Housing project run by the Welsh Refugee Council, which offers housing advice and assistance to every refugee who is granted leave to remain.

References and further information


Department of Communities and Local Government (2009) Managing the Impacts of migration:


Welsh Government (2010a) Improving Lives and Communities: Homes in Wales, Cardiff
About the briefing paper series

This briefing paper is one of a series produced by Professor Heaven Crawley, Director of the Centre for Migration Policy Research (CMPR) at Swansea University to improve knowledge and understanding of migration issues in Wales. The papers set out the evidence on migration to Wales in relation to key issues and themes that are of public and policy concern and provide up-to-date information about the composition and experiences of migrant, asylum seeking and refugee populations living in Wales.

The briefing papers can be downloaded at www.wmp.org.uk

Additional data and resources can be downloaded from the Wales Migration Portal http://wmp.infobasecymru.net/IAS

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