### Summary

Migrants are disadvantaged in relation to each of the main pathways to poverty reduction recognised by Scottish Government and Scotland's wider anti-poverty movement: reducing costs; increasing incomes through employment; and increasing awareness and uptake of social security entitlements. Their needs are too often overlooked or treated as niche and are not well-met by the existing landscape of support and service provision.

# Migrants are a significant and growing percentage of Scotland's population and workforce with experiences of poverty which are too often overlooked or treated as niche.

- Between 2004 and 2022 Scotland's non-UK born population grew from 3.8% to 10.2%.
- The 2022 Census shows 554,883 non-UK born people living in Scotland, including 209,859 children and young people under the age of 20, and 255,618 people aged 20-35. Within Scotland's working-age minority ethnic population, 77% were born outside of the UK.
- Analysis of labour market outcomes for Scotland's minority ethnic population shows that non-UK people fair worst within that already disadvantaged population<sup>i</sup>. As a substantial section of Scotland's minority ethnic population, migrants are also impacted by poverty rates at more than double the national average as well as high and rising child poverty<sup>ii</sup>.
- Intersections with migration and disadvantages caused by migrants' positioning in relation to key drivers of poverty are insufficiently explored in analysis or policy solutions.

## Our research finds clear evidence of hardship, vulnerability to poverty and barriers to increasing incomes through employment or social security in migrant households.

- Migrant households face significant costs not incurred by other low-income households including visa fees, and immigration health surcharge. For a family of four, these amount to £20,670 in the first four years after arrival. They also incur above average costs for housing, utilities, food, childcare and education and can struggle to access affordable credit.
- Migrants face specific barriers in the labour market, including non-recognition of overseas qualifications; undervaluing of work experience and skills development gained outside of the UK; costs of addressing language barriers; discrimination on grounds of race or religion.
- Migrants experience underemployment, precarity and vulnerability to exploitation when they are unable to access jobs that match their skills, qualifications and experience or when their visa conditions restrict the hours and/or sectors in which they can work.
- 2.6 million people in the UK hold visas with a no recourse to public funds (NRPF) condition. In Scotland the condition applies to almost all migrants whose residence requires them to hold a visa, as well as some EU citizens with pre-settled status. The NRPF condition applies to long-term residents and children born in Scotland, as well as more recent arrivals.
- The Scottish government has introduced mechanisms whereby some 'top up' benefits and entitlements (for example Best Start Foods) can be claimed by those with NRPF. Others may be provided at the discretion of local authorities. However, the complexity of rules and systems creates fear and uncertainty regarding eligibility. This results in people both with and without recourse to public funds missing out on support they could be eligible to claim.

### The existing landscape of service provision is not well suited to meet migrants' needs.

- We found a bifurcated landscape of support and service provision for migrants. On one side are specialist migrant-facing charities and organisations mostly with precarious funding and limited reach into publicly funded or mainstream programmes. On the other are a mix of public and third sector organisations providing employability and income maximisation services, with very varied experience of supporting migrants, limited awareness of the specific barriers they face or lacking confidence in intercultural communication.
- As a result, migrants are too often passed back and forth between service providers or given incomplete or inaccurate advice.

### Recommendations

Improved access to services and support is needed to raise migrant households' capacity to lift themselves away from poverty. This requires the implementation of key principles in poverty reduction and employability such as 'No Wrong Door' and 'Person Centred' approaches to include migrants. The following recommendations would achieve this and will be the subject of further exploration to assess their feasibility in our **policy laboratory** (October 2024-June 2025).

#### The Scottish Government should:

- Seek to extend the range of top up benefits available to those with NRPF such that, for example, those receiving Best Start Foods would also receive Best Start Grants.
- Ensure that clear guidance is available to local authorities and other parties advising migrants or exercising discretion over their right to access top up benefits.
- Expand commitment 3.4 in the New Scots refugee integration strategy: delivery plan 2024 to 2026 to 'work with Scottish professional bodies to understand and promote recognition pathways for industries and identified sectors' to consider the needs of a wider spectrum of migrants for recognition of qualifications and employability pathways.

#### Local Authorities should:

- Ensure that frontline staff are provided with clear guidance and training on migrants' entitlements, especially where benefits are available at the discretion of local authorities.
- Facilitate and encourage staff to improve their skills and confidence in intercultural communication.
- Encourage local employability partnerships and TSI financial inclusion and employability officers to consider migrant service user needs in planning and developing their work.

#### Employability and income maximisation services should:

- Form networks that bridge mainstream and migrant-facing services better
- Design systems for data sharing and more effective referrals.
- Develop strategies and toolkits to support intercultural communication, prioritising and sharing the expertise of migrant-facing organisations.

#### Employers should:

• Consider possible adjustments whereby international students with permission to work a maximum of 20 hours per week might be offered work patterns to meet that threshold.

# Introducing the policy laboratory

The policy laboratory will bring together experts by experience and practice, including local and national government, public and third sector support organisations, employers and others, to build ideas into possibilities and advocate for change. • Consider whether they are taking sufficient and equitable account of skills and experience gained outside of the UK in making appointment and promotion decisions.

<sup>&</sup>lt;sup>i</sup> <u>Analysis of Labour Market Outcomes of Scotland's Minority Ethnic Population (www.gov.scot)</u> <sup>ii</sup> <u>JRF (2021) Ethnicity Poverty and the data in Scotland</u>