

SEEC – SESPM BREXIT, MIGRATION & SKILLS IN THE SOUTH EAST ECONOMY WORKSHOP

23 June 2017 Broadway House, Westminster.

This workshop was organised by SEEC and the South East Strategic Partnership for Migration (SESPM) to help South East local authorities understand and plan for the impact of Brexit on migration, border security and potential skills gaps in the South East. It provided an opportunity to consider and discuss the potential implications of Brexit and to learn from examples of local authority good practice.

South East perspective on migration

SESPM Chairman and Leader of Dover DC, Cllr Paul Watkins opened the event by outlining some of the South East opportunities and challenges. The South East's high capacity ports and airports are the entry point for many migrants into the UK; the region hosts around 12% of the UK's migrant population.

Many are economic migrants coming to the South East to work but Cllr Watkins said the South East is committed to 'doing its bit' for refugees and has accepted around 10% of the 6,000 people resettled in the UK to date under the Syrian Vulnerable Persons Relocation Scheme (SVPRS). He cited the SVPRS as an example of a scheme that is fully funded and working well – other schemes have inconsistent funding and could learn from the Syrian programme.

Cllr Watkins explained there has been a reduction in the number of asylum seekers since the early 2000's and welcome changes in the way they are managed. Arrival areas, such as Dover, no longer provide accommodation but adult asylum seekers are processed by the Kent Intake Unit in Dover before being accommodated in an Initial Accommodation Centre outside of Kent and then 'dispersed' to another area of the UK.

However, Unaccompanied Asylum Seeking Children (UASC) under the age of 18 remain the responsibility of the local authority where they present themselves. This means areas such as Kent have a very heavy UASC burden. This is currently being addressed by the voluntary National Transfer Scheme, which aims to spread the load more evenly across local authorities. However, directors of children's services have serious concerns that not all costs of supporting UASC are being covered by funding available from central Government. "We need to look at other ways of funding that do not bear directly on council tax payers, to encourage more local authorities to participate," said Cllr Watkins.

He highlighted that Brexit could raise questions about the future of Channel Tunnel border controls staying in Calais. Early indications are that the UK may increase payments to France to keep the border at Calais.

Cllr Watkins also raised the prospect of new burdens for councils if free trade agreements with the EU change. For example, there could be an increase in port health responsibilities if the inspection of foods from the EU is required post Brexit. This would increase the need for staff and processing areas and would slow the transit of freight.

Securing the border post Brexit

Matthew Finn, Managing Director of security experts Augmentiq set out some of the issues affecting the management of UK's borders post-Brexit. He said that the UK is left with old systems that need upgrading due to the cancellation of the failed E-borders contract in 2010. An electronic system is not yet in place and current systems are unlikely to be able to cope, especially if the E-gates – which allow for faster processing of European Economic Area (EEA) Nationals – are closed. This could lead to more delays and queues at ports and airports.

He said the critical questions for border security are:

- How will EEA nationals be processed after Brexit?
- What needs to be in place if the processing arrangements change?
- How will the UK share information with other governments and will it still have access to EU passenger intelligence, European Arrest Warrants and Europol information systems?

Responding to member questions, Matthew explained how modern border controls could take a risk-managed approach. Only 1 in around 1,000 people need to be identified for further examination and high tech systems can speed up the processing of the other 999 by assessing them before they reach the border. He said carriers have the capacity to provide a lot of data known as 'Advanced Passenger Information' (API), which includes the information contained in passengers' travel documents and any information obtained while booking their ticket.

The amount of API that carriers are required to provide to border agencies varies from country to country. Potentially, this information on the identity of passengers, where they have come from, who they are travelling with, how they bought their ticket and the route they have taken into the country can be analysed to establish the level of risk they pose and whether further examination is necessary.

At the border, biometric systems – such as the facial recognition systems used by E-gates – can quickly verify that the identity of individual passengers corresponds to the information on their travel document and allow them into the country. He cited the Australian border control systems as an excellent example, where the carriers provide in-depth passenger information in advance and the Australian government is able to say whether an individual can travel before they reach the departure gate.

Matthew raised the concern that at present API is not used effectively for passengers leaving the UK and the basic checks carried out at the border are not robust enough. He said that the 3 schoolgirls from Bethnal Green who travelled to Syria are a good example of this. Being known to the police they should have been on the Early Warnings Index. Other warning signs include travel during term time, one-way tickets to Turkey paid for in cash and one girl travelling on her sister's passport. He said the UK needs systems in place where this would raise a number of flags and the passengers are then intercepted and prevented from leaving the country.

In the South East, ensuring freight supply chains can move freely and efficiently is critical to the economy. Matthew said that it is essential to explore how to register the 40-50,000 freight companies crossing the UK border, their drivers and people involved in the supply chain. A system like that used on the US/ Mexico border could register 'trusted shippers' so that when a truck arrives at port there is detailed information on what it contains and who is driving it. It can then be waved through without causing queues and adding additional processing time.

EU workers in the South East Economy

Dr Carlos Vargas-Silva of the Oxford University Migration Observatory [set out an analysis](#) of economic migration and the impact of EU workers on the South East economy. 17% of South East residents (925,000) were born outside the UK, of which 42% (384,000) are EU nationals. There are fewer migrants from the 'old EU' (163,000) than from the newer 'EU accession countries' such as the Czech Republic, Hungary, Poland, Bulgaria and Romania (211,000).

Over half the old EU nationals work in banking and finance or public administration, education and health. Some 29% of accession country nationals work in hospitality and distribution, with 17% in banking and finance and 15% in public administration, education and health.

Dr Vargas-Silva said that the most likely scenario for Brexit could be an end to free movement and the creation of some form of points-based system for accepting migrants. Factors such as a weaker pound, uncertainty about future rights and strengthening EU economies are already reducing the number of migrants from accession countries. If this trend continues there are likely to be significant skills gaps.

Responding to member questions on skills shortages, Dr Vargas-Silva said the number of EU nurses coming to work in the UK has fallen since the Brexit vote. He said that in the short term this could be addressed by relaxing the rules governing accepting nurses from outside the EU to encourage more to come, but in the long term the UK will need to train more nurses. It will also be important to make sure that key occupations – such as nurses and other high-skilled professions – are given priority when designing a new points-based migration system. A fast-track system to enable large international companies to transfer workers between countries could also help them fill skills gaps.

Tackling potential skills gaps

Hampshire CC Deputy Leader, Cllr Keith Mans spoke about ways that local authorities could help minimise the risk of skills gaps in their areas. He said councils should work with industry and LEPs to bring them closer to schools, colleges and technical institutes and consult them on career guidance. This would help ensure training meets business needs and create direct routes for students into employment.

He said that 'portable' skills will be much more important in the future, so people can move careers as the job market changes and suggested that creating clear career paths in fields such as care could improve both recruitment and retention of employees.

Cllr Mans called for single funding for skills and employment investment to be controlled by local authorities who understand the present and future needs of their communities.

Post Brexit, he said the South East needs direct input into Government's immigration policy to ensure the skills requirements of the South East are represented in any quotas. However, he added there may also be a surplus of skills in some fields if companies move from the UK to the European mainland.

Home Office migration priorities

Sean Palmer, Deputy Director, Asylum & Specialist Casework at the Home Office spoke about recent changes to the way the Home Office responds to some of the migration challenges in the South East. He said the Resettlement, Asylum Support and Integration directorate has been brought together over the last six months to create a holistic approach. The directorate is focusing on working with local authorities collaboratively to address the impacts of refugees and asylum seekers on communities and help ensure positive outcomes.

Sean said the current asylum dispersal scheme has been successful in relieving the pressure on arrival areas, such as Kent, by relocating asylum seekers to around 130 participating local authorities across the UK and there is now a need to find more areas for dispersal.

He thanked South East authorities for their support for Syrian refugees, acknowledging that it is often difficult to place people in the South East due to housing costs and the benefit cap. He hopes the infrastructure and support systems set up for the Syrian programme can also be leveraged to support other schemes, including for asylum seekers.

Sean said that the closure of the 'jungle' camp in Calais has reduced the number of asylum seekers spontaneously arriving in the South East. Clearing the camp resulted in a lot of UASC being brought to the UK in a short space of time. However, the National Transfer Scheme for Unaccompanied Asylum Seeking Children (UASC) has been successful and all the UASC arriving in Kent since the scheme started in July 2016 have been transferred to other participating local authorities. He added that the Home Office would also welcome help from councils in resettling people arriving under the Vulnerable Children's Resettlement Scheme.

He pledged that the Home Office wants to continue to work with South East local authorities to deliver successful asylum and refugee resettlement and to share councils' expertise and good practice.

How councils are responding to migration challenges

Cllr Gillian Ford, LGA Asylum, Refugee and Migration Task Group member, outlined the range of [programmes to support refugee and asylum seekers](#) that councils are delivering. She commended councils' participation, saying that most local authorities are involved in some way, but there remain concerns about the adequacy of central funding to support their work.

She highlighted key success factors that help in resettling Syrian refugees including:

- The critical role local authority leadership plays in bringing organisations together, such as working with local media to create a positive welcome in communities
- The value of 5 year funding to plan longer term approaches to integration
- Recognition of the importance of access to ESOL
- Flexibility for local areas to decide on arrangements that work best for them and to use funding in the way that is best for the local area and the refugees themselves
- Increased rates of funding for arrivals since July 2016.

However, Cllr Ford also set out some of the key challenges facing councils. Foremost is the inadequate funding for UASC – the Association of Directors of Children's Services estimates that on average only 50% of the cost to councils of supporting UASC is covered by Government funding. This is exacerbated by the increasing difficulty of recruiting social workers with the right expertise and a national shortage of foster places.

For refugee families the greatest challenge is the shortage of housing at an affordable cost and many areas are exploring opportunities for 'community sponsorships'. In years 2 to 5 of the Syrian programme, she said, the key challenge is to support sufficient access to employment, language and health services to ensure progress towards full self-sufficiency – which is crucial due to the tapering 5 year funding.

Helping refugees into employment and self sufficiency

Tracey Kerly, Chief Executive, Ashford BC described how her council's [proactive and innovative approach](#) has been highly successful in integrating Syrian refugees into the local community. Ashford has over 60 Syrian refugees and has been praised by the Home Affairs Select Committee for its work on integration and skills.

From the start the key focus is on integration – the greatest barrier to which is language – so initially a large proportion of the funding is being used for interpreters. Care is taken in advance to let parish councillors, ward leaders and neighbouring residents know about refugee family arrivals. This makes families feel welcome and helps them to develop immediate connections in the local community.

The council's Language and Industrial Skills Training (LIST) programme helps families rapidly develop the language and job skills such as health and safety awareness and the ability to pass their driving test to enable them to find work locally.

The council will shortly open a Women's Centre where refugee women will learn food hygiene and bookkeeping, as their aim is to open a catering business. There are also plans to help some of the women return to teaching and others will be given support to set up a hairdressing salon for Muslim women.

Tracey said that the key to the success of all of the council's programmes is having individuals that take ownership of projects and want them to be a success. This leads to positive experiences for all involved.

Key concerns for South East local authorities

SEEC Chairman, Cllr Nicolas Heslop closed the event by highlighting some of the key points raised during the table discussions, these include:

- There are serious concerns about the threat posed by Brexit to the South East economy from potential skills gaps and underinvestment in infrastructure
- Local authorities can do much to direct skills towards job vacancies but in order to do this they need much more control of funding for skills and careers. This is important for both high tech/ high skill occupations and for lower skill/ caring vocations
- The Government needs to ensure that health and care workers from overseas needed in the South East can continue to come here
- The South East's future economic growth also depends on building more homes – both market and affordable – to house the skilled -workers that growing businesses need, whether these workers come from the UK or abroad. Local authorities are willing to play their part by providing more affordable homes but need more powers to deliver
- On migration of refugees and asylum seekers, it is welcome that the Home Office is moving towards a more place-based approach but there is more that can be done to build up 2-way conversation and trust. This should include recognising the funding needs of all schemes and applying lessons learned from properly funded programmes – such as the SVPRS – that demonstrate local authorities can respond and deliver results.

A full write-up of all issues raised during table discussions is [available here](#).