

## **Context and Background**

Following two decades of significant migration between Europe and Scotland, EU nationals make up the majority (58%) of non-British nationals living in Scotland.<sup>1</sup> Their presence and contribution have been welcomed by the Scottish Government and local authorities as part of wider <u>population and economic</u> <u>development strategies</u>. In August 2021, the Scottish Government published its <u>'Stay in Scotland'</u> toolkit, providing information and support to EU nationals. The Scottish Government is also working in collaboration with CoSLA to deliver assistance to vulnerable or at-risk EU nationals and their families.<sup>2</sup>

The ending of free movement between the EU and the UK, and the introduction of and subsequent adjustments to the <u>UK points-based immigration</u> <u>system</u> in January 2021, impact both future flows of people likely to come to Scotland from the EU, and the rights and support needs of EU nationals already living in Scotland. This presents challenges for Scottish Government, Local Authorities and other statutory or third sector bodies working to support EU nationals and their families. It is also a significant set of changes for employers to navigate in relation to workforce planning, recruitment and retention. An MPS event '<u>EU Nationals in Scotland: Experiences, Needs and Support'</u>, in September 2022, brought together a panel of experts to discuss some of these issues.

Speakers from advocacy and support organisations including <u>Citizen's Advice Scotland</u>, <u>Just Right Scotland</u>, <u>PKAVS</u> and <u>Feniks</u> provided insights and analysis from their practical work with EU nationals, whilst contributions from <u>IPPR</u>, <u>Migration Observatory</u> and academic

researchers offered updates on recent trends and concerns. We have drawn on these in putting together this fact file and return to some key insights from those working directly

#### **Migration Policy Scotland**

Fact Files are short reports providing a synthesis of key data, developments and issues arising in Scotland related to key migrant groups or migration routes. We update our Fact Files on a regular basis.

with EU nationals in our conclusions<sup>3</sup>.

This fact file will be of use to policy makers, statutory and third sector support organisations, employers and other stakeholders working with EU nationals. It provides information on the numbers of EU nationals currently living in Scotland: their age and nationality profiles, their spread across Scotland and within the labour force. It also addresses changes in legal routes, and implications for the status and rights of different groups of EU nationals either coming to or already in Scotland. It is not meant as a comprehensive guide to EU nationals' rights, which are more fully covered in the CPAG factsheet <u>Rights to Benefits and Tax Credits for European Nationals</u>.

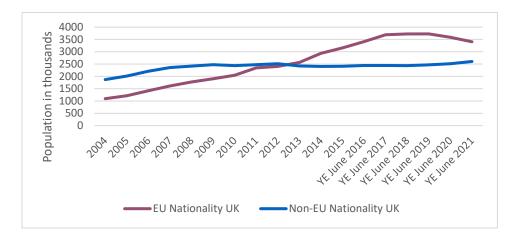
<sup>&</sup>lt;sup>1</sup> <u>Population by Country of Birth and Nationality, Scotland,</u> July 2020 to June 2021 | National Records of Scotland (nrscotland.gov.uk)

<sup>&</sup>lt;sup>2</sup> The International Organization for Migration (2019), <u>Supporting Vulnerable People to Access the EU Settlement</u> <u>Scheme</u>.

<sup>&</sup>lt;sup>3</sup> A report of the event, recordings and speaker presentations can be accessed <u>here</u>

# EU nationals in Scotland

The numbers of EU nationals migrating to the UK (including Scotland) grew steadily from the early 2000s. Across the UK as a whole the growth in numbers slowed from mid-2017 and then began to decline from mid-2019 (see Figure 1). In Scotland, however, the population of EU nationals remained steady and even grew slightly from 200,000 in mid-2016 to 242,000 in mid-2020<sup>4</sup> (see Figure 2).





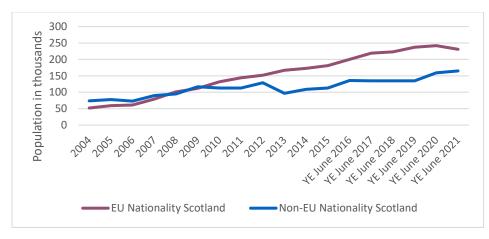


Figure 2: Estimates of the EU and Non-EU national resident population of Scotland, 2004 to year ending June 2021, Source  $\text{ONS}^5$ 

### **Countries of Origin**

The rise in numbers of EU nationals living in Scotland and the UK since 2004 is largely attributable to the eastward expansion of the EU. Since 2010, EU nationals have made up the majority of non-British nationals living in Scotland.

### Note on Measuring Migrant Populations

There are two main approaches to measuring migrant populations: one is to identify migrants by country of birth, the other by nationality. These produce somewhat different results as the category EU-born includes significant numbers of people who hold British citizenship, whilst counting the number of EU nationals includes people born outside of the EU (including in Britain). It is worth remembering that neither category necessarily accurately attributes ethnicity or national identity; for example, a person of Nigerian descent born in France and holding an Italian passport, may identify neither as white European, nor as French or Italian. In this fact file we discuss the legal status of EU nationals, their rights and entitlements. These are defined through government policies on the basis of nationality, residency and migrant status<sup>1</sup>. For this reason, when discussing the numbers and profile of EU migrants in Scotland we draw mainly on data measuring populations by nationality.

<sup>1</sup>The rights and status of EU citizens are also extended to citizens of EEA countries and Switzerland. Whilst Irish citizens can claim rights as EU citizens they also have additional freedoms and entitlements under the Common Travel Area arrangements between UK and Ireland

(ons.gov.uk). In both figures Estimates use Labour Force Survey responses that have been reweighted to new population counts. For comparability of trends mid-year estimates have been used where available. Prior to year ending June 2016 calendar year data has been used.

<sup>&</sup>lt;sup>4</sup> Although this number has declined since to 231,000 a new weighting method applied to Annual population survey data from July 2020 makes this comparison over time difficult. <u>How we are improving population and migration statistics -</u><u>Office for National Statistics</u>

<sup>&</sup>lt;sup>5</sup> Figures 1 and 2 draw on data from <u>Population of the UK by</u> country of birth and nationality - Office for National Statistics

Of 397,000 non-British Nationals living in Scotland in the year 2020-2021, 231,000 (58%) were EU nationals.<sup>6</sup> This large group is diverse, made up of many different nationalities. Polish nationals are the largest group by a considerable margin with a population of 62,000. A further 52,000 EU nationals in Scotland are from the 9 other Eastern European countries, which joined the EU since 2004. Longer histories of migration mean that Scotland is also home to significant numbers of Irish and Italian nationals. In 2021, there was an even balance between nationals of 'older' EU 14 states (49%) and those of 'newer' EU8 plus EU2 states (49.4%) living in Scotland (see Figure 3)<sup>7</sup>.

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Country	Population
Poland	62,000
Republic of Ireland	21,000
Italy	18,000
Germany	15,000
Lithuania	15,000

Source: NRS<sup>8</sup>

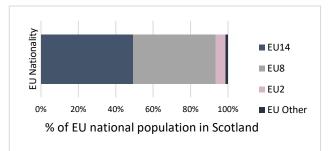
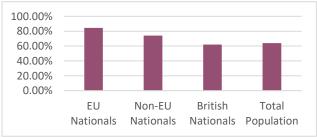


Figure 3: Population by EU nationality in Scotland, 2021 Source NRS <sup>9</sup>

### Age profile

Given more general trends in Scotland towards population ageing and population imbalance, the age profile of EU nationals is of considerable significance. Scotland's working age population has been bolstered over recent years by the arrival of EU nationals. In 2021 84.4% of EU nationals living in Scotland were aged 16 to 64. By comparison 73.9% of non-EU nationals and 62.3% of British nationals living in Scotland are in this age group (see figure 4).



*Figure 4: Working-age population by nationality in Scotland, 2021, Source ONS*<sup>10</sup>

## EU Nationals in the Scottish Workforce

EU nationals' main reasons for coming to Scotland are for work, followed by family reasons and study, whilst non-EU nationals have come overwhelmingly for family reasons, followed by study, work and asylum. A recent study of reasons for migration where analysis was based on country of birth, found that nearly 42% of EUborn migrants came to Scotland primarily for work, compared to 16% of non-EU-born migrants.<sup>11</sup>

EU nationals have been an important migrant group for the Scottish labour market. In 2020, EU nationals made up 67% of all working-age, employed non-UK nationals in Scotland, accounting for nearly 6% of Scotland's entire labour force.

EU nationals make up 5% and above of the workforce in a wide range of key sectors including health and social work, construction, agriculture, manufacturing, and over 10% in accommodation and food services. They significantly outnumber non-EU workers in all these sectors (see Table 2).

<sup>8</sup> National Records of Scotland (2022), <u>Population by Country of Birth and Nationality, Scotland, July 2020 to June 2021</u>.

<sup>9</sup> National Records of Scotland (2022), <u>Population by Country of Birth and Nationality, Scotland, July 2020 to June 2021</u>.
<sup>10</sup> Office of National Statistics (2021) <u>Population of the UK by country of birth and nationality</u> - <u>Office for National Statistics</u> (ons.gov.uk)

<sup>11</sup> Where do migrants live in the UK? - Migration Observatory - The Migration Observatory (ox.ac.uk)

<sup>&</sup>lt;sup>6</sup> Population by Country of Birth and Nationality, Scotland, July 2020 to June 2021 | National Records of Scotland (nrscotland.gov.uk)

<sup>&</sup>lt;sup>7</sup> The EU 14 countries are: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Portugal, Republic of Ireland, Spain and Sweden; EU 8 refers to Eastern European countries that joined the EU in 2004: Czech Republic, Estonia, Poland, Hungary, Latvia, Lithuania, Slovakia and Slovenia; EU 2 are Bulgaria and Romania which joined in 2007; EU other are the two Mediterranean countries, Malta and Cyprus, that joined the EU in 2004 and Croatia, which joined the EU in mid-2013..

Table 2: Working-age UK, EU and non-EU nationals in the Scottish labour force by occupation and industry 2019-20

Industry section by main job	UK	EU	NON EU	All Nats	EU as % workforce
Accommodation and food services	133,431	17,204	13,158	163,793	10.5
Information and communication	68,211	6,721	1,768	76,700	8.8
Wholesale, retail, repair of vehicles	302,285	25,501	6,742	334,528	7.6
Admin and support services	99,554	7,773	2,480	109,807	7.1
Manufacturing	184,129	13,795	2,184	200,108	6.9
Prof, scientific, technical.	148,448	9,818	3,650	161,916	6.1
Education	221,742	14,203	8,781	244,726	5.8
Agriculture, forestry, and fishing	36,966	2,126	*	39,224	5.4
Construction	173,260	10,046	2,058	185,364	5.4
Financial and insurance activities	95,904	5,577	3,381	104,862	5.3
Health and social work	368,183	20,046	15,658	403,887	5.0
TOTAL	2,417,069	152,035	76,053	2,645,157	5.7

Source: ONS<sup>12</sup>

### **Geographical spread**

Like other migrants, most EU nationals live in Scotland's larger cities with Edinburgh having the highest proportion of EU nationals within its population (12%). Nonetheless, the relatively unrestricted rights to seek work and settle with family members provided under EU free movement brought EU nationals to rural Scotland in larger numbers than other groups of international migrants. While EU nationals make up a small overall proportion of the total population in Scotland's rural areas, they make up a significant percentage of the total non-British population; up to 75% in some of the most remote and rural island areas (see table 3).

This spread is particularly significant given Scotland's concerns regarding population balance and decline, particularly in rural and remote areas. Whilst migration is unlikely to change population trends through replacement numbers, the age profile of EU nationals and their employment in key services and industries mean that they make a significant contribution to the 'strategic mitigation' of population change.<sup>13</sup>

### Table 3: Population of EU nationals in Scotland by area, 2021

Area	EU Nationals	EU as % of Total Population	EU as % of Non-British Nationals Population
Scotland	231,000	4.28	58.1
Larger cities	127,000	8.45	55.5
Urban with substantial rural areas	60,000	2.69	60.6
Mainly rural	42,000	2.78	65.6
Islands and remote	3,000	1.95	75.0
Source NRS <sup>14</sup>			

<sup>&</sup>lt;sup>12</sup> Office for National Statistics (2020), <u>Working-age EU and non-EU nationals in Scotland areas by occupation groups and</u> <u>Industry</u>.

<sup>&</sup>lt;sup>13</sup> Designing a pilot remote and rural migration scheme: analysis and policy options - gov.scot (www.gov.scot)

<sup>&</sup>lt;sup>14</sup> Percentages calculated from <u>National Records of Scotland</u> (2021). Areas grouped by <u>RESAS Classification of the rural economy</u>.

# Legal status of EU Nationals in Scotland

Changes to the UK immigration system introduced in January 2021 have significantly reduced the flow of migrants from the EU. It is estimated that by the end of 2021, as many EU nationals left the UK as arrived meaning EU nationals made no contribution to UK net migration.<sup>15</sup> The largest group of EU nationals living in Scotland therefore, now and for the foreseeable future, are those who arrived before 1<sup>st</sup> January 2021 and have claimed the right to remain under the EU Settlement Scheme. As discussed below the rights of EU nationals with settled status are slightly different from those of EU nationals with pre-settled status and very different from those of EU nationals arriving after 31<sup>st</sup> December 2020 or who have not applied for or have been refused settled status.

The Independent Monitoring Authority for the Citizens Rights Agreements (IMA), was established in 2020 to ensure that the rights of EU nationals and their family members living in the UK are upheld following the departure of the UK from the EU. The IMA is empowered to monitor how UK public bodies (such as government departments, local councils, the NHS, the police, and others) are protecting the rights of EU nationals, to conduct inquiries and, if necessary, to take legal action on issues where they find evidence that large numbers of EU nationals are being adversely affected or where there is an underlying issue.

### **EU Settlement scheme**

EU nationals living in the UK on 31<sup>st</sup> December 2020 were eligible to apply for the EU Settlement Scheme (EUSS). 6.9 million applications had been received by 30 September 2022, of which 319,980 (5%) were in Scotland, 6,138,440 (89%) in England, 112,990 (2%) in Northern Ireland and 110,000 (2%) in Wales.<sup>16</sup> Just over half of all EUSS applicants in Scotland received settled status, and a further 38% received pre-settled status, however some 6,000 applicants in Scotland were still awaiting a decision.

Settled status	176,230 (56.2%)	
Pre-settled status	119,060 (37.9%)	
Refused	8,650 (2.8%)	
Withdrawn or Void	5,530 (1.8%)	
Invalid	4,360 (1.4%)	
Total	313,840	

### Table 4: Concluded EUSS Applications in Scotland

#### Source: Home Office<sup>17</sup>

Applications have continued to be submitted since the original deadline of 30<sup>th</sup> June 2021 with the highest numbers of new applicants either seeking to join family members or declaring mitigating circumstances for a late application. Refusal rates have risen steeply in this period with 36.7% of applications from family members and 36.5% of late applicants refused.<sup>18</sup>

EU nationals with settled or pre-settled status have the right to work or study in the UK, to access the NHS free of charge, and to travel in and out of the UK. Those with settled status have recourse to public funds for benefits and pensions. For those with pre-settled status recourse to public funds is dependent on also satisfying right to reside requirements although refusal of support should be careful not to breach fundamental rights so as to render a person with pre-settled status destitute.<sup>19</sup> This may leave particular groups of those with pre-settled status (for example, lone parents or victims of domestic violence) at heightened risk of poverty.

Children born in the UK, to a parent holding settled status and resident in the UK, automatically receive British citizenship. Children born in the UK to a parent with pre-settled status are eligible for pre-settled status but will only be a British citizen if they qualify for it through their other parent. Those with pre-settled status must apply for settled status before their presettled status expires to stay lawfully in the UK.<sup>20</sup> Those who fail to reapply in time risk losing their rights to live, work and access public services in the UK.<sup>21</sup>

<sup>&</sup>lt;sup>15</sup> Sumption, Madeleine, Peter William Walsh (2022), '<u>Net migration to the UK</u>', The Migration Observatory.

<sup>&</sup>lt;sup>16</sup> Including repeat applications, Home Office (2022), <u>EU Settlement Scheme quarterly statistics, September 2022</u>

<sup>&</sup>lt;sup>17</sup> Home Office (2022), <u>EU Settlement Scheme quarterly statistics, September 2022</u>

<sup>&</sup>lt;sup>18</sup> Home Office (2022), <u>EU Settlement Scheme quarterly statistics, September 2022</u>. Note these figures are for UK as a whole, the Home office does not provide these figures at the level of devolved nations.

<sup>&</sup>lt;sup>19</sup> CPAG (March 2022) <u>Rights to benefits and tax credits for European nationals</u>.

<sup>&</sup>lt;sup>20</sup> <u>Apply to the EU Settlement Scheme (settled and pre-settled status): What you'll get - GOV.UK (www.gov.uk)</u>

<sup>&</sup>lt;sup>21</sup> How Secure is Pre-Settled Status for EU Citizens After Brexit? - Migration Observatory - The Migration Observatory (ox.ac.uk)

### Students

In 2020 there were approximately 16,000 EU nationals enrolled in Scottish Universities.<sup>22</sup> However, EU students who started a new course in the academic year 2021-2022 were the first cohort to pay international fees. In the 2021 applicant cycle, UCAS reported that there was a 41% decrease in applications from EU countries to Scottish universities.<sup>23</sup> EU nationals with 'settled' or 'pre-settled' status can continue paying home tuition fees as long as they meet residency conditions. Students are eligible for the EU Settlement Scheme if they were resident in the UK for study reasons on 31 December 2020.

### **New Arrivals**

Following the introduction of the UK points-based immigration system on 1<sup>st</sup> January 2021, newly arriving EU nationals are subject to the same immigration rules as non-EU nationals.<sup>24</sup> EU nationals can enter the UK as visitors for up to 6 months without a visa, but may not work, claim public funds or marry during that period. EU nationals wishing to work in Scotland can apply for work visas subject to the same requirements and restrictions as other international labour migrants to the UK. Employers conducting right to work checks should distinguish between the different groups of EU nationals by date of arrival, by acquisition of settled or pre-settled status and/or by visa type (skilled worker; temporary worker etc.). Students arriving after 1<sup>st</sup> January 2021 can apply for a graduate visa allowing them to remain in the UK for a further two years after graduation, or three years if they are a PhD graduate. They may work at any skill level and switch into skilled worker routes if they find an appropriate job.

# Conclusions

Changes to the UK immigration system impact the numbers, status, entitlements and support needs of EU nationals living in Scotland. The ending of free movement and introduction of the <u>UK points-based immigration system</u> in January 2021 mean that employers, Local Authorities and other statutory or third sector bodies must often distinguish between different groups of EU nationals.

Most EU nationals who have moved to the UK after 1<sup>st</sup> January 2021 have no recourse to public funds, meaning they are not eligible for most benefits and cannot build up entitlement to a state pension. Those with pre-settled status may also not have recourse to public funds if they do not meet residency requirements or if they fail to apply for settled status in time. Local authorities and other statutory bodies must be aware of this and its implications for supporting vulnerable or at-risk individuals.<sup>25</sup>

Employers wishing to offer a job to an EU national without settled or pre-settled status must understand and abide by the rules for sponsorship and cover the costs of a Skilled Worker Sponsor Licence, the Immigration Skills Charge, as well as legal fees and administrative costs.<sup>26</sup> Such costs may be challenging for smaller employers which make up a larger percentage of the Scottish economy than elsewhere in the UK. Smaller employers are concerned about risks associated with sponsorship<sup>27</sup> and have less capacity to monitor rules leaving them vulnerable to licences being suspended or revoked.<sup>28</sup>

<sup>22</sup> <u>Free university tuition for EU students in Scotland ends -</u> BBC News

Authority. Given the complexity of this area of law those requiring advice or support should contact the EU Support Service Helpline at Citizens Advice Scotland on 0800 916 9847 or locate their nearest Citizens Advice Bureau: <u>Bureaux |</u> <u>Citizens Advice Scotland (cas.org.uk)</u>

<sup>26</sup> <u>Policy Primer: The UK's 2021 points-based immigration</u> <u>system - Migration Observatory - The Migration Observatory</u> (ox.ac.uk)

<sup>27</sup> Migration Observatory (2022), <u>How is the End of Free</u>
<u>Movement Affecting the Low-wage Labour Force in the UK?</u>,
(p. 10)

<sup>28</sup> Kyambi, Sarah (2020), <u>Ready, Steady, Go? Preparedness for</u> <u>the UK's new immigration system</u>, Migration Policy Scotland.

<sup>&</sup>lt;sup>23</sup> Scottish Government (2021), <u>Applicants to Scottish</u> <u>universities at a record high</u>.

<sup>&</sup>lt;sup>24</sup> Irish nationals are not subject to these same rules since they continue to enjoy the right to free movement under the Common Travel Agreement. 'Under the CTA, British and Irish citizens can move freely and reside in either jurisdiction and enjoy associated rights and privileges, including the right to work, study and vote in certain elections, as well as to access social welfare benefits and health services'. <u>Common Travel Area: rights of UK and Irish citizens - GOV.UK (www.gov.uk)</u> <sup>25</sup> EU nationals can build up entitlements to contributory benefits and apply for social work support from their Local

EU nationals previously made up an overwhelming majority of seasonal workers in Scotland.<sup>29</sup> Since the ending of free movement, where employers or agencies continue to bring in EU nationals using the new seasonal workers route it is vital to ensure that these workers are aware of not having the right to seek other work, to prolong their stay, for example to join family members, and that they do not have any recourse to public funds during their stay. This may be in contrast to what they may assume based on previous experiences, or information from fellow EU nationals with different immigration status.

It is clear that EU nationals in Scotland (whether newer arrivals or with settled or pre-settled status) have ongoing, if changing, needs of support services, legal advice, access to language classes etc. Some of this may require to be tailored to the needs of specific groups within that population. Some of the diversities of which are outlined above such as differences of legal status, vulnerability, language and location all pose challenges for a single approach to providing support for EU nationals. In some instances, mainstreaming support and providing appropriate signposting and pathways to access statutory services may be helpful. In others more specialist services will be required. Finally, and particularly in the context of the current Cost of Living crisis, there are challenges with providing support form an increasingly overstretched third sector.

### About the Authors

Rebecca Kay is Senior Researcher at Migration Policy Scotland. She is an expert on migration issues in Scotland with over 25 years' experience of social research. She chairs the Scottish Government's Independent Expert Advisory Group on Migration and Population which provides advice on Scotland's migration needs and challenges.

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# **About Us**

Migration Policy Scotland is an independent policy organisation based in Scotland. We work to promote constructive approaches to migration, based on sound evidence and open dialogue.

If you would like to know more about us, contact: <u>info@migrationpolicyscotland.org.uk</u> visit: <u>www.migrationpolicyscotland.org.uk</u> follow us on Twitter: <u>@migrationpolic1</u>

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<sup>&</sup>lt;sup>29</sup> <u>Profile of seasonal migrant workers - Non-agricultural seasonal and temporary migrant workers in urban and rural Scotland:</u> report - gov.scot (www.gov.scot)