

### **BRIEFING PAPER**

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# Statistics on migrants and benefits

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### 1. Introduction

Data on migrants and benefits is incomplete and fragmented, not routinely available from a single source.

This is because the nationality of benefit claimants is not information routinely gathered by either DWP or HMRC when administering benefits or tax credits. As a result, we are reliant on indirect, often ad hoc analysis – such as of the nationality of current benefit claimants at time of registration for a National Insurance Number – to estimate rates of benefit receipt among migrants in the UK.

This paper brings together the UK's main data sources on benefits and tax credits paid to migrants living in the UK.

It provides data on:

- The nationality of current DWP benefit claimants at point of registration for a National Insurance Number (NINo) and the proportion of these who were in- and out- of work
- The nationality of claimants of HMRC Child and Working Tax Credits at point of registration for a NINo and the proportion of these who were in-work
- The number of claimants to whom Child Benefit is paid for children resident elsewhere in the European Economic Area (EEA)
- The number of Child Benefit claimants who were non-UK nationals at point of registration for a NINo

Pages 4 to 9 answer **frequently asked questions** on statistics on migrants and benefits, including summary analysis of:

- The proportion of current benefit claimants who were non-UK nationals at point of registration for a National Insurance number...
- ... and the proportion of these who are in- and out- of work
- The proportion of EU migrants who claim benefits in their first four years in the UK
- How many EU migrants might be affected by an "emergency brake" on in-work benefits for migrants newly arriving in the UK

**Section 7**, below, provides further reading on migration and asylum statistics, on migrant's access to UK benefits and on proposals to restrict this access.

### 2. Frequently asked questions

The UK's benefit payment systems do not systematically record the nationality of benefit claimants, as nationality does not generally determine eligibility for benefits.

Consequently there is no complete picture of the number of migrants to the UK or foreign nationals in the UK who receive UK social security benefits and tax credits, or the cost of this.

In the absence of data on migrant claimants, DWP and other organisations have produced analyses based upon National Insurance Number registrations. A UK National Insurance Number, a NINo, is usually required by a non-UK national before they are able to work or claim benefits and tax credits in the UK.

Analysing the nationality of benefit claimants at the point of NINo registration, however, is not the same as the number of foreignborn individuals or current non-UK nationals that claim DWP **benefits**. This is because some will have subsequently obtained British nationality. Moreover, this measure does not capture foreign-born individuals who were naturalised (obtained UK nationality) prior to NINo registration.

#### **National Insurance numbers (NINos)**

National Insurance numbers (NINos) are required by anyone who is:

- Resident or present in Great Britain, and is...
- Over 16, and is...
- Employed or self-employed, or...
- Wishes to pay voluntary (class 3) NI contributions.

Most people resident in the UK are automatically given a NI number as they approach 16; anyone who requires a NI number but was not automatically given should apply via their local Jobcentre Plus.

The Library briefing paper National Insurance numbers (NINos) provides further information on how NINos are allocated, their uses and introduction of the 'Right to Work' test in July 2006.

#### Countries in the EU and EEA

The European Union (EU) is an economic and political union of 28 countries. Current EU member countries are:

Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK.

The European Economic Area (EEA) includes EU countries and also Iceland, Liechtenstein and Norway. Note Switzerland is neither an EU nor EEA member but is part of the single market.

#### What proportion of benefit claimants are non-UK nationals?

In February 2015, 371,220 working-age claimants of DWP benefits (7.2% of total claimants) were non-UK nationals when they first registered for a National Insurance Number (NINo). 113,960 of these were EU nationals, 30.7% of non-UK claimants and 2.2% of total claimants.1

#### ... and how many of these are out-of-work?

287,300 non-UK nationals at the point of NINo registration were claiming key DWP out-of-work benefits as of February 2015, 7.4% of total claimants.<sup>2</sup> Of these 91,700 were EU (excl. UK) nationals, 2.4% of total claimants.<sup>3</sup> Note this total does not include claimants of Housing Benefit – available to both in- and out- of work recipients – or tax credits – administered by HMRC.

### Are non-UK nationals more likely to receive out-of-work benefits than UK-born persons?

No. Non-UK nationals at the point of NINo registration are less likely to be receiving key DWP out-of-work benefits than UK-born.

According to the University of Oxford's Migration Observatory's analysis of the Labour Force Survey, in the first three months of 2014 people born outside the UK comprised 16.2% of the working-age population. At the same time, in February 2014, 7.7% of working-age individuals receiving key out-of-work benefits were non-UK nationals.4

### How many non-UK nationals claim tax credits and what does this cost the Exchequer?

In March 2014 738,900 families who were in receipt of tax credits (15.9% of the total) contained at least one adult who was a non-UK national at NINo registration. 317,800 of these claimants were EU nationals, 43% of total non-UK claimants and 6.8% of total claimants.<sup>5</sup>

HMRC estimates that the annual tax credits entitlements for families containing at least one non-UK national at NINo registration came to £5.2 billion in 2013/14, or 17.4% of the total £29.7bn.6

<sup>&</sup>lt;sup>1</sup> Department for Work and Pensions, <u>Nationality at point of NINo registration of DWP working</u> age benefit recipients: data to Feb 2015, 27 August 2015

<sup>&</sup>lt;sup>2</sup> Here, "key out of work benefits" comprises of Jobseeker's Allowance, Employment and Support Allowance and incapacity benefits, Lone Parent Income Support and other income related benefits (Income Support and Pension Credit).

<sup>&</sup>lt;sup>3</sup> Department for Work and Pensions, Nationality at point of NINo registration of DWP working age benefit recipients: data to Feb 2015, 27 August 2015

<sup>&</sup>lt;sup>4</sup> This analysis was presented in full in Madeleine Sumption's and William Allen's blog "Migration and welfare benefits" for Full Fact, 4 May 2015. Also see similar analysis from the Migration Advisory Committee's July 2014 report Migration in low-skilled *work* (page 265)

<sup>&</sup>lt;sup>5</sup> M O'Connor (Nov 2014) Tax Credits and migrant families 2014, data obtained from HM Revenue and Customs via Freedom of Information requests

<sup>&</sup>lt;sup>6</sup> M O'Connor (Nov 2014) <u>Tax Credits and migrant families 2014</u> and HMRC <u>Tax and</u> NICs receipts: statistics table.

### Are non-UK nationals more likely to receive tax credits than UKborn persons?

Determining the rate at which migrants claim tax credits is difficult as tax credits are awarded to households, whereas National Insurance numbers – required to analyse the nationality of claimants – are assigned to individuals.

The Migration Observatory has used the Labour Force Survey to estimate the proportion of foreign-born and UK-born people in the UK population who claim tax credits. It found that, in the first quarter of 2014, foreign born people of working age were more likely to report receiving tax credits (15%) than the UK born (11%). Similar shares of EU born and non-EU born people reported receiving tax credits (14%) and 15% respectively). 7

#### How many non-UK nationals claim Child Benefit?

In August 2012 Child Benefit was paid to 990,000 claimants (12.5% of the total) who were a non-UK national at NINo registration.8

### How many families claim Child Benefit or Child Tax Credits for children living in other EEA member states?

As of March 2015, 19,579 families had Child Benefit awarded in respect of 32,408 children living in other European Economic Area (EEA) member states, around two thirds of whom were in Poland. 7,026 families had Child Tax Credit granted in respect of 11,762 children in EEA member states.9

The Conservative Party 2015 Election Manifesto proposed that "if an EU migrant's child is living abroad, then they should receive no child benefit or child tax credit". 10

President of the European Council Donald Tusk outlined proposals for a new settlement for the UK within the EU in a letter of 2 February 2016. In the accompanying documents he proposed that, with regard to claimants of child benefits whose children reside in a Member State other than that in which the worker resides, EU Member States should gain the option "to index such benefits to the standard of living in the Member State where the child resides". 11

<sup>&</sup>lt;sup>7</sup> This analysis was presented in full in Madeleine Sumption's and William Allen's blog "Migration and welfare benefits" for Full Fact, 4 May 2015

<sup>&</sup>lt;sup>8</sup> HMRC Freedom of Information response FOI 1976/13, published in M O'Connor (Sep. 2013) Fiscal effects of migration to the UK: Working Tax Credit claimant numbers <sup>9</sup> See Table 5 of this briefing paper

<sup>&</sup>lt;sup>10</sup> Conservative Party 2015 Election Manifesto, page 30

<sup>&</sup>lt;sup>11</sup> <u>Draft Decision of the Heads of State or Government, meeting within the European</u> Council, concerning a New Settlement for the United Kingdom within the European Union; 2 February 2016; page 15

### How many EU migrants claiming tax credits might be affected by an "emergency brake"?

The <u>Conservative Party 2015 Election Manifesto</u> stated that, when renegotiating the UK's membership of the EU, "we will insist that EU migrants who want to claim tax credits and child benefit must live here and contribute to our country for a minimum of four years." <sup>12</sup>

President of the European Council Donald Tusk outlined proposals for a new settlement for the UK within the EU in a letter of 2 February 2016. In the accompanying documents he proposed that, to account for any pull factor arising from a Member State's in-work benefit regime, Member States would gain the ability to withhold payment of in-work benefits to newly arrived EU migrants under certain circumstances.

Specifically, Member States would be able, upon examination of the European Commission and authorisation of the European Council, to:

Limit the access of Union workers newly entering its labour market to in-work benefits for a total period of up to four years from the commencement of employment. The limitation should be graduated, from an initial complete exclusion but gradually increasing access to such benefits...<sup>13</sup>

Negotiations are ongoing and it is not possible to give the precise number of people who might be affected by these proposals before full details are confirmed. Nonetheless, recent figures <u>published by HMRC in response to a Freedom of Information</u> request give some indication.

In 2013/14, 111,000 EEA migrants who had arrived in the UK or been issued a National Insurance number during the previous four years were claiming tax credits (compared to 49,000 non-EEA migrants). The total number of households that claimed tax credits in 2013/14 with at least one EEA migrant who had arrived in the UK or been issued a National Insurance number during the previous four years was 84,000, approximately 1.9% of total households in receipt of tax credits. Note these figures are for total households in receipt of tax credits.

### What proportion of EU migrants claim benefits in their first four years in the UK?

No conclusive figure for the proportion of EU migrants who claim benefits in their first four years of residency in the UK is available. Estimates have, however, been published based on a range of sources.

In November 2015 the Government published estimates stating that at March 2013 "between 37 per cent and 45 per cent of the EEA nationals (excluding students) who were resident in the UK having arrived in the preceding 4 years were in households claiming either an in-work or out-of-work benefit or tax credit". <sup>14</sup> The Government subsequently

<sup>&</sup>lt;sup>12</sup> Conservative Party 2015 Election Manifesto, page 30

<sup>&</sup>lt;sup>13</sup> <u>Draft Decision of the Heads of State or Government, meeting within the European Council, concerning a New Settlement for the United Kingdom within the European Union</u>; 2 February 2016; page 15

<sup>&</sup>lt;sup>14</sup> Estimates were initially published in The Times; see this <u>Tweet from Times journalist</u> <u>Sam Coates</u>. Quotation cited is from the Government's methodological note.

published an ad-hoc methodological note to explain how it had arrived at this estimate.

These estimates were the focus of much debate and some criticism within the media – for example, Guardian blog and Channel 4 FactCheck, both published 10 November 2015.

In particular, the Government was criticised for the way it combined two potentially inconsistent data sources to arrive at this estimate. Estimates for the number of migrants in receipt of benefits and/or tax credits (the numerator) were derived from DWP's and HMRC's administrative records (datasets not publically available), whereas its figure for the total number of migrants to arrive in the UK in the last four years (the denominator) was taken from the Annual Population Survev.

As Jonathan Portes has explained (National Institute of Economic and Social Research), the sources chosen for the numerator and denominator in this equation and the way in which these sources are combined greatly impacts upon the result of this calculation. Using data from the Annual Population Survey for both the numerator and denominator, for example, suggests the proportion of recent migrants claiming benefits and/or tax credits is lower than the 43% suggested by the Government.

#### Would restricting access to in-work benefits reduce immigration?

There is no direct evidence, as outlined by Full Fact's blog of 10 December 2015, to judge whether welfare is a prime pull factor for EU migrants coming to the UK. The Government's <u>Balances of</u> competences review on the Single Market Free Movement of Persons (published Summer 2014) observed that "none of the evidence we received was able to point to specific research or analysis on the importance of access to social security benefits in the decision to migrate" (paragraph 2.55).

There are substantial practical difficulties in attempting to analyse the specific pull-factor effect of the UK's benefits and tax credits system in isolation, distinct from other potential economic pull factors. The University of Oxford's Migration Observatory, for example, considers the availability of jobs to be the primary pull factor – though acknowledges the difficulty of confirming whether potential migrants are drawn by wages alone or by the possibility of claiming in-work benefits also. 15

Alternatively, in November 2014 the think tank Open Europe argued that restricting access to in-work tax credits entitlements would reduce the financial incentive of potential migrants to move. It did so by comparing the net income of an EU migrant worker in the UK, in receipt of in-work tax credits and the National Minimum Wage, to wage levels in Spain, Poland and Bulgaria. It did not, however, attempt to quantify the effect removing such entitlements would have on the volume of migratory flows. 16

<sup>&</sup>lt;sup>15</sup> University of Oxford Migration Observatory; Election 2015 Briefing – Migration and Welfare Benefits; 5 May 2015

<sup>&</sup>lt;sup>16</sup> Open Europe; Save EU free movement: Make it fair to keep it free; 24 Nov. 2014

## 3. DWP working-age benefits paid to migrants

The DWP has in recent years conducted a series of data-matching exercises which shows the number of **claimants of DWP-administered working-age benefits** (encompassing out-of-work, disability, carer and bereavement benefits) who **were non-UK nationals when they first registered for a NINo**.

The most recent NINo-based analysis was published in August 2015: <u>NINo allocations to adult overseas nationals entering the UK:</u> registrations to June 2015, DWP, 27 August 2015

**Table 1**, over page, shows headline figures for all working-age DWP benefit claimants, broken down into broad geographical groupings.

- As of February 2015, of the 5.1 million working-age claimants of DWP benefits, 7.2% (371,220) were non-UK nationals when they first registered for a NINo
- Within this group, 113,960 claimants (2.2% of the total client group) were EU nationals when they first registered for a NINo, and 257,260 claimants (5% of the total) were non-EU nationals
- There were 58,630 daimants from the EU accession countries that joined the EU from 2004 onwards – these accounted for 1.1% of all claimants
- 6% of working age non-UK nationals at point of NINo registration were claiming a DWP working age benefit in February 2015, compared to 14% of UK nationals

**Table 2** shows a breakdown by benefit type. As of February 2015, 11.9% of JSA claimants were of non-UK origin (4.9% EU and 7.0% non-EU).

**Table 3a** shows the top 40 countries of origin for claimants of workingage benefits in February 2015 who were non-UK nationals at point of NINo registration.

Table 1 - Nationality at NINo registration: DWP working age benefit claimants by world area of origin, **Great Britain** 

													T	housa	nds and pe	ercent
World Area of Origin	Feb 20	80	Feb 20	09	Feb 20	10	Feb 20	)11	Feb 20	12	Feb 20	13	Feb 20	14	Feb 20	15
	number	% of total	number	% of total												
All	5,174.88	100	5,802.48	100	5,917.56	100	5,765.34	100	5,881.70	100	5,695.39	100	5,309.58	100	5,129.52	100
UK	4,886.17	94.4	5,472.74	94.3	5,560.72	94.0	5,394.31	93.6	5,474.79	93.1	5,298.23	93.0	4,914.16	92.6	4,758.30	92.8
non-UK and unknown - total	288.72	5.6	329.75	5.7	356.84	6.0	371.02	6.4	406.90	6.9	397.16	7.0	395.42	7.4	371.22	7.2
of whom:																
European Union (not UK)	65.09	1.3	84.08	1.4	89.89	1.5	91.31	1.6	116.52	2.0	121.28	2.1	130.99	2.5	113.96	2.2
EU excl. Accession Countries	52.48	1.0	60.41	1.0	63.67	1.1	62.57	1.1	66.80	1.1	62.33	1.1	63.72	1.2	55.33	1.1
EU Accession Countries	12.61	0.2	23.67	0.4	26.22	0.4	28.74	0.5	49.72	0.8	58.95	1.0	67.27	1.3	58.63	1.1
Other non-UK	223.63	4.3	245.67	4.2	266.95	4.5	279.72	4.9	290.38	4.9	275.88	4.8	264.43	5.0	257.26	5.0
Europe - non-EU	19.46	0.4	21.29	0.4	22.40	0.4	21.99	0.4	22.34	0.4	21.31	0.4	20.08	0.4	17.85	0.3
Africa	77.12	1.5	84.38	1.5	93.28	1.6	98.76	1.7	101.87	1.7	94.70	1.7	88.98	1.7	85.98	1.7
Asia and Middle East	99.59	1.9	108.86	1.9	118.16	2.0	125.69	2.2	132.04	2.2	128.03	2.2	126.11	2.4	125.58	2.4
The Americas	13.32	0.3	15.38	0.3	17.36	0.3	18.31	0.3	19.72	0.3	18.71	0.3	17.47	0.3	16.72	0.3
Australasia and Oceania	1.67	0.0	2.23	0.0	2.19	0.0	2.08	0.0	2.11	0.0	2.00	0.0	1.85	0.0	1.86	0.0
Others and Unknown	12.47	0.2	13.53	0.2	13.56	0.2	12.89	0.2	12.30	0.2	11.13	0.2	9.94	0.2	9.29	0.2

Sources: NINo allocations to adult overseas nationals entering the UK: registrations to March 2013, DWP, 29 August 2013

NINo allocations to adult overseas nationals entering the UK: registrations to June 2014, DWP, 28 August 2014

National Insurance number allocations to adult overseas nationals to June 2015, DWP, 27 August 2015

Nationality at point of NINo registration of DWP working age benefit recipients: data to Feb 2015, DWP, 27 August 2015

Table 2a - Nationality at NINo registration: DWP working age claimants by client group and world area of origin, Great Britain, 2015

Thousands and percent **Employment and** Kev out-of-work Jobseeker's Allowance Support Allowance and **World Area of Origin** Total **Lone Parent** Other Income Related benefits incapacity benefits number number number number number number % of total AII 5129.52 100 3883.54 100 785.62 100 2533.22 100 448.11 100 116.59 100 UK 4758.3 92.8 92.6 692.34 94.1 412.61 92.1 107.96 92.6 3596.3 88.1 2383.35 non-UK and unknown - total 371.22 7.2 287.3 7.4 93.28 11.9 149.87 5.9 35.5 7.9 8.63 7.4 of whom: **European Union (not UK)** 113.96 2.2 91.7 2.4 38.02 4.8 44.22 1.7 7.61 1.7 1.87 1.6 45.0 2.0 24.5 1.0 0.7 EU excl. Accession Countries 55.33 1.1 1.2 16.02 3.36 1.11 1.0 **EU Accession Countries** 58.63 1.1 46.7 1.2 22 2.8 19.72 0.8 4.25 0.9 0.76 0.7 Other non-UK Europe - non-EU 14.2 2.57 0.4 1.76 0.35 17.85 0.3 0.4 0.3 9.51 0.4 0.3 Africa 85.98 1.7 72.6 1.9 24.49 3.1 31.34 1.2 14.81 3.3 1.98 1.7 Asia and Middle East 87.3 22.88 52.29 2.1 3.29 125.58 2.4 2.2 2.9 8.85 2.0 2.8 0.3 13.0 0.3 3.74 0.3 2.17 0.5 0.28 0.2 The Americas 16.72 0.5 6.85 Australasia and Oceania 1.86 0.0 1.3 0.0 0.35 0.0 0.77 0.0 0.09 0.0 0.04 0.0 Others and Unknown 9.29 0.2 7.1 0.2 1.23 0.2 4.89 0.2 0.2 0.0 0.82 0.7

Source: Nationality at point of NINo registration of DWP working age benefit recipients: data to Feb 2015, DWP, 27 August 2015

							Employmen	t and				
World area of origin	Total		Key out-of-work benefits		Jobseeke Allowand		Support Allow and incapa benefits	city	Lone parent		Other income related	
	number	% of	number	% of	number	% of	number	% of	number	% of	number	% of
Tal		total		total		total		total		total		total
February 2013	E 00E 00	400	4.040.40	400	4 544 07	400	0.475.67	400	504.00	400	454.00	400
All	5,695.38	100	4,646.19	100	1,514.37	100	2,475.67	100	504.89	100	151.26	100
UK	5,298.23	93.0	4,314.85	92.9	1,372.10	90.6	2,336.19	94.4	464.66	92.0	141.90	93.8
Non-UK and unknown: total	397.16	7.0	331.34	7.1	142.27	9.4	139.48	5.6	40.23	8.0	9.36	6.2
of whom:												
EU (non-UK)	121.28	2.1	105.67	2.3	60.10	4.0	36.81	1.5	6.86	1.4	1.90	1.3
EU excl. Accession	62.33	1.1	53.91	1.2	25.17	1.7	23.68	1.0	3.77	0.7	1.29	0.9
EU Accession	58.95	1.0	51.76	1.1	34.93	2.3	13.13	0.5	3.09	0.6	0.61	0.4
Other non-UK	275.88	4.8	225.67	4.9	82.17	5.4	102.67	4.1	33.37	6.6	7.46	4.9
February 2014												
All	5,309.58	100	4,223.74	100	1,145.63	100	2,459.30	100	480.09	100	138.72	100
UK	4,914.16	92.6	3,899.37	92.3	1,011.64	88.3	2,316.52	94.2	441.95	92.1	129.26	93.2
Non-UK and unknown: total	395.42	7.4	324.37	7.7	133.99	11.7	142.78	5.8	38.14	7.9	9.46	6.8
of whom:												
EU (non-UK)	130.99	2.5	113.72	2.7	64.83	5.7	39.46	1.6	7.45	1.6	1.98	1.4
EU excl. Accession	63.72	1.2	54.88	1.3	26.25	2.3	23.78	1.0	3.59	0.7	1.26	0.9
EU Accession	67.27	1.3	58.84	1.4	38.58	3.4	15.68	0.6	3.86	0.8	0.72	0.5
Other non-UK	264.43	5.0	210.65	5.0	69.17	6.0	103.32	4.2	30.68	6.4	7.48	5.4

Sources: NINo allocations to adult overseas nationals entering the UK: registrations to March 2013, DWP, 29 August 2013

NINo allocations to adult overseas nationals entering the UK: registrations to June 2014, DWP, 28 August 2014

Nationality at point of NINo registration of DWP working age benefit recipients – data to Feb 2015, DWP, 27 August 2015

Table 3 - Non-UK nationals at NINo registration: DWP working age benefits by client group and top 40 nationalities, Feb 2015

All DWP working age				CCA and inco	n a aitu	Thousands of claimants  Lone Parent on Income		
All DWP Workii benefits		Jobseeker	rs	ESA and inca benefits		Support		
country	total	country	total	country	total	country	total	
February 2015				•		·		
1 Pakistan	36.20	Poland	8.78	Pakistan	13.10	Somalia	3.59	
2 Poland	26.20	Pakistan	5.38	Poland	9.64	Pakistan	3.40	
3 Somalia	18.45	Somalia	4.24	Ireland	8.47	Poland	2.11	
4 India	18.42	Iran	3.86	Iran	8.13	Eritrea	1.47	
5 Bangladesh	15.73	Eritrea	3.50	India	7.97	Nigeria	1.46	
6 Iran	14.34	Portugal	3.42	Somalia	7.07	Jamaica	1.45	
7 Ireland	14.07	Slovakia	2.87	Bangladesh	6.08	Bangladesh	1.06	
8 Iraq	11.35	Bangladesh	2.58	Turkey	6.04	Ghana	0.93	
9 Portugal	10.75	Nigeria	2.41	Iraq	5.97	Portugal	0.90	
10 Turkey	10.13	Sudan	2.29	Portugal	4.45	Iraq	0.87	
11 Nigeria	8.76	Lithuania	2.21	Nigeria	3.06	Congo	0.87	
12 Jamaica	7.34	Iraq	2.20	Jamaica	2.88	Zimbabwe	0.85	
13 Slovakia	6.66	Italy	2.19	Italy	2.36	Turkey	0.75	
14 Eritrea	6.42	India	2.13	Netherlands	2.20	Ireland	0.70	
15 <b>Italy</b>	5.74	Czech Rep.	2.13	Afghanistan	2.13	DR Congo	0.65	
16 Netherlands	5.71	Spain	2.12	Sri Lanka	2.05	India	0.60	
17 Lithuania	5.36	Ireland	2.08	Ghana	1.99	Ethiopia	0.54	
18 Zimbabwe	5.16	Jamaica	1.84	France	1.87	China	0.47	
19 <b>Ghana</b>	5.10	Latvia	1.76	Zimbabwe	1.84	Netherlands	0.46	
20 Afghanistan	5.02	France	1.74	Lithuania	1.79	Uganda	0.45	
21 France	5.00	Netherlands	1.57	Algeria	1.79	Iran	0.44	
22 Sri Lanka	4.81	Zimbabwe	1.57	Germany	1.74	Lithuania	0.44	
23 Czech Rep.	4.64	Romania	1.47	Slovakia	1.68	Latvia	0.43	
24 Sudan	4.36	Hungary	1.34	Spain	1.36	Albania	0.42	
25 <b>Spain</b>	4.26	Afghanistan	1.28	Morocco	1.35	France	0.40	
26 Germany	4.01	Syria		South Africa	1.34	Slovakia	0.39	
27 Latvia	3.95	Ghana	1.04	Sudan	1.26	Sierra Leone	0.38	
28 Romania	3.43	Turkey		Czech Rep.	1.17	Gambia	0.37	
29 Algeria	3.29	Congo		United States	1.17	Angola	0.36	
30 South Africa	3.22	Sri Lanka	0.95	Ethiopia	1.16	Sri Lanka	0.34	
31 Ethiopia	2.95	Germany		Latvia		Czech Rep.	0.34	
32 Congo	2.77	Ethiopia		Eritrea	1.04	Afghanistan	0.31	
33 United States	2.65	DR Congo		Kenya	1.02	Sudan	0.29	
34 Morocco	2.62	Greece		Uganda		Morocco	0.28	
35 DR Congo	2.61	Algeria	-	Romania		South Africa	0.27	
36 Philippines	2.59	South Africa		Croatia		Kenya	0.26	
37 China	2.53	Bulgaria		DR Congo		Thailand	0.25	
38 Hungary	2.50	Sierra Leone		Vietnam	0.85	Philippines	0.24	
39 <b>Uganda</b>	2.36	Uganda		Egypt		Italy	0.23	
40 <b>Kenya</b>	2.33	China	0.50	Philippines	0.80	Algeria	0.22	

Source and data for 2013 and 2014

Nationality at point of NINo registration of DWP working age benefit recipients - data to Feb 2015, DWP, 27 August 2015 NINo allocations to adult overseas nationals entering the UK: registrations to March 2013, DWP, 29 August 2013 NINo allocations to adult overseas nationals entering the UK: registrations to June 2014, DWP, 28 August 2014

### 4. Child and Working Tax Credits

In addition to the DWP analyses of the working-age benefit caseload, HM Revenue and Customs (HMRC) have produced data on the number of families in receipt of tax credits where at least one adult in the family was a non-UK national at the point of registration for a National Insurance number (NINo).

Based on a snapshot of the tax credit caseload as of March 2014, the figures show:

- 738,900 families containing an adult who was a non-UK national at the point of NINo registration were in receipt of tax credits – 15.9% of the total tax credit caseload of 4.6 million
- Within the non-UK category, more were from outside the EU (421,100 families) than from within the EU (317,800 families)
- As regards single recipients of tax credits, individuals from elsewhere in the EU outnumber those from outside the EU. This is especially true in the case of single people without children and in receipt of Working Tax Credit – 11.2% of claimants in this category were nationals of another EU member state at the point of NINo registration, compared to 3.8% who were from outside the EU
- Among out-of-work couples receiving Child Tax Credit, 56,800 families (15.0% of the total in the category) contained an individual who was a non-EU national at point of NINo registration, while 19,100 (5.0%) contained an individual from another EU member state<sup>17</sup>

HMRC estimate the annual tax credits entitlement of families containing a non-UK national at the point of NINo registration were:

- £4.9 billion in 2012/13, or 16.6% of the total £29.6bn tax credits paid that year<sup>18</sup>
- £5.2 billion in 2013/14, 19 or 17.4% of the total £29.7bn<sup>20</sup>

Of the £5.2 billion in 2013/14, £1.2 billion was paid to out-of-work families, £3.8 billion to in-work families with children and £0.2 billion to in-work claimants without children.<sup>21</sup>

Table 4a (below) sets out the March 2014 tax credit caseload broken down by tax credit award type, singles/couples and world area of origin based on NINo registration.

**Table 4b** shows the equivalent data for the previous year (March 2013).

<sup>&</sup>lt;sup>17</sup> Sourced from: M O'Connor (Nov 2014) <u>Tax Credits and migrant families 2014</u>, data obtained from HM Revenue and Customs via Freedom of Information requests.

<sup>&</sup>lt;sup>18</sup> HC Deb 1 May 2014 vol 579 cc799-800W | PQ 190311.

<sup>&</sup>lt;sup>19</sup> M O'Connor (Nov 2014) <u>Tax Credits and migrant families 2014.</u>

<sup>&</sup>lt;sup>20</sup> HMRC Tax and NICs receipts: statistics table.

<sup>&</sup>lt;sup>21</sup> M O'Connor (Nov 2014) Tax Credits and migrant families 2014.

Table 4a - Nationality at NINo registration: families receiving Child Tax Credit (CTC) and/or Working Tax Credit (WTC) as of March 2014, by world area of origin, UK

Thousands of families and percentages

	Total tay	crodit	of whom:								rarriires arra per	
	Total tax credit caseload,  March 2014		out-of-work families on CTC		in-work families —		of whom:	in-work fan				
						on tax credits		WTC and CTC		CTC only		y (no en)
	number	% of total	number	% of total	number	% of total	number	% of total	number	% of total	number	% of total
All families: total	4,644.2	100.0	1,355.7	100.0	3,288.5	100.0	1,887.8	100.0	840.1	100.0	560.6	100.0
of whom: world area of origin												
UK	3,905.5	84.1	1,175.9	86.7	2,729.6	83.0	1,528.7	81.0	721.0	85.8	479.9	85.6
non-UK (a)	738.9	15.9	179.9	13.3	559.0	17.0	359.2	19.0	119.1	14.2	80.7	14.4
non-UK: EU	317.8	6.8	51.1	3.8	266.7	8.1	156.0	8.3	56.5	6.7	<i>54.2</i>	9.7
non-UK: other	421.1	9.1	128.8	9.5	292.3	8.9	203.2	10.8	62.6	7.5	26.5	4.7
Singles: total	2,557.3	100.0	977.0	100.0	1,580.3	100.0	1,039.3	100.0	139.3	100.0	401.7	100.0
of whom: world area of origin												
UK	2,249.8	88.0	873.0	89.4	1,376.8	87.1	910.3	87.6	124.9	89.7	341.6	85.0
non-UK (a)	307.4	12.0	103.9	10.6	203.5	12.9	129.1	12.4	14.3	10.3	60.1	15.0
non-UK: EU	149.9	5.9	31.9	3.3	118.0	7.5	<i>68.1</i>	6.6	4.9	3.5	45.0	11.2
non-UK: other	157.5	6.2	72.0	7.4	85.5	5.4	61.0	5.9	9.4	6.8	15.1	3.8
Couples: total	2,087.2	100.0	378.8	100.0	1,708.4	100.0	848.6	100.0	700.8	100.0	159.0	100.0
of whom: world area of origin												
UK	1,655.6	79.3	302.8	80.0	1,352.8	79.2	618.4	72.9	596.1	85.1	138.3	87.0
non-UK (a)	431.5	20.7	75.9	20.0	355.6	20.8	230.2	27.1	104.7	14.9	20.7	13.0
non-UK: EU	167.8	8.0	19.1	5.0	148.7	8.7	88.0	10.4	51.5	7.3	9.2	5.8
non-UK: other	263.7	12.6	56.8	15.0	206.9	12.1	142.2	16.8	<i>53.2</i>	7.6	11.5	7.2

Source: M O'Connor (Nov 2014) Tax Credits and migrant families 2014, data obtained from HM Revenue and Customs via Freedom of Information requests.

Note (a): Families are assigned to 'non-UK' if the sole adult in a single claim or either adult in a joint claim is identified by a NINo issued to them when they were not a UK national

Table 4b - Nationality at NINo registration: families receiving Child Tax Credit (CTC) and/or Working Tax Credit (WTC) as of March 2013, by world area of origin, UK

	Total tay	crodit	of whom:									
	Total tax credit caseload, March 2013		out-of-work families on CTC		in-work far	nilios on	of whom: in-work families receiving:					
						tax credits		WTC and CTC		CTC only		y (no en)
	number	% of total	number	% of total	number	% of total	number	% of total	number	% of total	number	% of total
All families: total	4,705.1	100.0	1,442.4	100.0	3,262.8	100.0	1,853.4	100.0	850.4	100.0	559.0	100.0
of whom: world area of origin												
UK	3,989.1	84.8	1,252.8	86.9	2,736.3	83.9	1,521.7	82.1	738.5	86.8	476.1	85.2
non-UK (a)	715.9	15.2	189.5	13.1	526.3	16.1	331.7	17.9	111.8	13.1	82.8	14.8
non-UK: EU	302.3	6.4	50.1	3.5	<i>252.2</i>	7.7	143.4	7.7	<i>51.7</i>	6.1	<i>57.1</i>	10.2
non-UK: other	413.5	8.8	139.4	9.7	274.1	8.4	188.3	10.2	60.1	7.1	25.7	4.6
Singles: total	2,587.2	100.0	1,028.3	100.0	1,558.9	100.0	1,017.6	100.0	138.3	100.0	403.0	100.0
of whom: world area of origin												
UK	2,283.4	88.3	919.4	89.4	1,364.0	87.5	899.4	88.4	124.6	90.0	340.0	84.3
non-UK (a)	304.0	11.7	108.9	10.6	195.1	12.5	118.2	11.6	13.8	10.0	63.1	15.7
non-UK: EU	157.6	6.1	30.7	3.0	<i>115.7</i>	7.4	62.9	6.2	4.5	3.3	48.3	12.0
non-UK: other	146.4	5.7	78.2	7.6	79.4	5.1	<i>55.3</i>	5.4	9.3	6.7	14.8	3.7
Couples: total	2,117.9	100.0	414.1	100.0	1,703.8	100.0	835.8	100.0	712.0	100.0	156.0	100.0
of whom: world area of origin												
UK	1,705.8	80.5	333.4	80.5	1,372.4	80.5	622.3	74.5	613.9	86.2	136.2	87.3
non-UK (a)	412.1	19.5	80.7	19.5	331.4	19.5	213.5	25.5	98.0	13.8	19.9	12.7
non-UK: EU	156.0	7.4	19.4	4.7	136.6	8.0	80.5	9.6	47.2	6.6	8.9	5.7
non-UK: other	256.1	12.1	61.3	14.8	194.8	11.4	133	15.9	50.8	7.1	11.0	7.0

Source: M O'Connor (Jul 2014) Tax Credits and migrant families, data obtained from HM Revenue and Customs via Freedom of Information requests, HC Deb 1 May 2014 vol 579 cc799-800W | PQ 190311.

Note (a): Families are assigned to 'non-UK' if the sole adult in a single claim or either adult in a joint claim is identified by a NINo issued to them when they were not a UK national.

### 5. Child Benefit

As of August 2012 Child Benefit was being paid to 990,000 claimants who were a non-UK national when they registered for a National Insurance number (NINo).<sup>22</sup> This amounted to 12.5% of the 7.9 million families in receipt of Child Benefit in August 2012.<sup>23</sup>

### 6. UK family benefits for children resident elsewhere in the EEA

Under provisions in EU law on social security coordination within the European Economic Area (EEA), Child Benefit and Child Tax Credit may be payable to EEA migrants in the United Kingdom in respect of their dependent children resident in another Member State. The provisions relating to payment of "family benefits" for children resident in another Member State are in EC Regulation 883/2004.

As of March 2015, there were 19,579 families with ongoing Child Benefit claims awarded in respect of 32,408 children living in other member states. There were also 7,026 ongoing Child Tax Credit awards granted in respect of 11,762 children under this regulation.<sup>24</sup>

These HMRC figures may include Child Benefit awards paid to UK nationals with children living in other EEA countries. These figures also include Switzerland, which is not in the EEA but is covered by the same social security regulations.

In August 2014, for when the most recent figures are available, the total number of families in the UK in receipt of Child Benefit awards was 7.46 million.<sup>25</sup>

**Table 5** shows the amount of Child Benefit awards to families that had children residing in EEA member states between 2009 and 2013.

<sup>&</sup>lt;sup>22</sup> HMRC Freedom of Information response FOI 1976/13, published in M O'Connor (Sep 2013) Fiscal effects of migration to the UK: Working Tax Credit claimant numbers

<sup>&</sup>lt;sup>23</sup> HMRC <u>Child Benefit statistics geographical analysis</u>. Note that the total number of families receiving Child Benefit subsequently fell to 7.55 million by August 2013 as a result of the implementation of the higher-income tax charge from January 2013 onwards.

<sup>&</sup>lt;sup>24</sup> PQ 2064 [on social security benefits], 10 June 2015.

<sup>&</sup>lt;sup>25</sup> Child Benefit small area statistics - August 2014.

Table 5 - Child Benefit claims under EC Regulation 883/2004 in respect of children living in another EEA member state (or Switzerland)

	Octobe	er 2009	July 2	2010	June	2011	Septemb	per 2012	Decemb	er 2012	Decembe	er 2013
	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of	No. of
	awards	children	awards	children	awards	children	awards	children	awards	children	awards	children
Austria	29	52	29	45	34	52	27	41	29	47	23	37
Belgium	153	297	159	310	155	303	146	290	138	274	75	140
Bulgaria	45	70	79	113	142	186	175	227	174	238	186	245
Croatia											5 (a)	5 (a)
Cyprus	51	82	55	89	61	87	54	78	53	80	39	61
Czech Rep.	197	340	175	295	168	277	179	293	176	282	124	203
Denmark	13	24	18	32	18	33	20	34	20	35	13	23
Estonia	17	30	19	29	28	39	37	57	43	63	45	65
Finland	16	29	16	30	20	38	15	33	16	30	12	23
France	1,256	2,346	1,266	2,343	1,257	2,320	1,155	2,146	1,080	2,003	789	1,429
Germany	311	529	337	578	339	583	368	647	366	641	283	495
Greece	51	81	57	88	57	85	53	79	51	76	44	69
Hungary	96	172	80	130	103	157	132	203	132	203	136	196
Iceland	2	4	3	5	3	5	3	5	3	5	5 (a)	5 (a)
Italy	175	300	187	316	199	336	202	350	193	330	156	273
Latvia	259	346	295	404	536	732	822	1,109	853	1,117	797	1,091
Liechtenstein	0	0	0	0	0	0	0	0	0	0	0	0
Lithuania	747	1,093	710	1,012	982	1,342	1,212	1,710	1,276	1,772	1,215	1,712
Luxembourg	14	26	15	28	12	25	10	21	10	21	7	14
Malta	17	26	17	25	19	27	15	21	14	21	15	22
Netherlands	185	373	197	390	205	410	194	384	192	379	142	288
Norway	45	92	42	79	40	73	37	72	14	65	30	61
Poland	22,858	37,941	17,212	28,760	16,230	27,018	15,251	25,623	15,499	25,659	13,174	22,093
Portugal	222	329	233	346	246	368	236	355	239	364	202	309
Rep. Ireland	883	1,818	957	1,972	1,086	2,251	1,242	2,529	1,281	2,609	1,231	2,505
Romania	36	53	75	130	158	264	197	334	196	328	230	392
Slovakia	1,483	2,573	1,180	2,051	1,077	1,870	1,105	1,953	1,083	1,881	692	1,232
Slovenia	5	7	6	9	6	10	7	12	7	13	11	21
Spain	741	1,230	796	1,322	832	1,386	776	1,291	756	1,275	600	1,019
Sweden	57	107	65	130	60	114	64	112	66	122	49	96
Switzerland	104	216	113	235	117	244	121	242	122	238	77	150
Totals	30,068	50,586	24,393	41,296	24,190	40,635	23,855	40,251	24,082	40,171	20,400	34,268

Sources: <u>HC Deb 6 Sep 2010 c190W [PQ11051]</u>

HC Deb 6 Sep 2011 c400-1W [PQ 68533] HC Deb 22 Oct 2012 c619-1W [PQ 123449] HC Deb 28 Jan 2013 c619W [PQ 138991] HC Deb 14 May 2014 c676-7W [PQ 181673]

Note: For the purposes of Data Protection Act compliance, in the Dec 2013 data the number is withheld where it is fewer than 5 and greater than 0.

### 7. Further reading

The following Library briefing papers provide further information on migration and social security.

### Migrant's access to benefits

People from abroad: what benefits can they claim? (17 June 2015)

Measures to limit migrants' access to benefits (17 June 2015)

Further proposals to restrict migrants' access to benefits (20 March 2015)

Child Benefit and Child Tax Credit for children resident in other EEA countries (18 July 2014)

#### **Migration statistics**

Migration statistics (3 December 2015)

### **Asylum statistics**

Asylum Statistics (15 December 2015)

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