



What you need to know about Brexit and how it might affect migration, housing need and eligibility

The Brexit vote has already led to speculation that there will be more controls over immigration and on migrants' eligibility for services such as welfare benefits and social housing. Nothing will change in the short term and timescales are not yet known, but here we sketch out some of the key issues about housing need and eligibility for housing which will have to be addressed.

How much does EU migration affect housing demand?

If Brexit goes ahead, and EU migration is reduced significantly, this could have a considerable effect on household growth and therefore on future housing demand. Across the UK, in any one year, about half of new migrants are from other EU countries. In England, net migration (the difference between numbers coming in and going out) accounts for 37 per cent of the projected growth in numbers of households over the next 25 years, hence demand for extra homes. In Wales, Scotland and Northern Ireland, in contrast, migration is projected to have little impact on household growth.

However, the current household projections were made before the referendum. Obviously, all are now subject to revision once it becomes clearer what future levels of net migration might be. There is speculation, for example, that there could be a surge in EU migration in the next two years, by those wanting to take advantage of the right to enter the UK before it is curtailed.

Apart from new migration, there are nearly three million citizens of other EU countries already living in the UK (excluding those who already have UK citizenship). Some 70 per cent have lived here for more than five years. It seems likely that all – or a majority – of those already here will be allowed to stay. If they do not, it will create severe problems for construction and other industries where many are employed. Social landlords may want to consider creating training programmes in construction skills for their tenants, to help fill the gaps.

How does demand from EU migrants affect social housing tenancies?

Most new EU migrants enter the private rented sector and, even if eligible for social housing, are unlikely to get a housing allocation until they have been in the UK for several years. Overall, 15.9 per cent of EU migrants are in social housing compared with 17 per cent for UK nationals. In terms of new social lettings each year, only four per cent go to nationals from other EU countries. If new rules were to deny social tenancies to new EU migrants, the effect on supply would therefore be very small (although it would be greater in areas where more EU migrants currently live).

What decides who is eligible for housing and benefits?

'Free movement' rules give workers and other categories of EU citizen the right to move across the EU and also have access to benefits. The rules on

eligibility are complex, as can be seen by looking at the CIH/BMENational [housing rights website](#). They are not based solely on membership of the EU but of the European Economic Area (EEA), which includes non-EU countries like Norway. While nationals from these countries are generally able to enter the UK freely and, once resident, are eligible to apply for social housing, there are exceptions (such as job seekers). However, if the UK decides to remain in the EEA to benefit from the free market in trade, and part of the agreement is maintenance of free movement of people, then the rules may stay the same – with the same categories of people still eligible.

Could there be an 'emergency brake'?

Although at this stage it seems unlikely that Britain could continue to benefit from the free market without also accepting free movement, there is some discussion of an 'emergency brake' being available. An emergency brake could be applied in different ways and for different timescales. For example, the one agreed in the government's negotiations before the referendum was a seven-year brake on in-work benefits during new arrivals' first four years in the UK. As part of negotiations to stay in the EEA, the government may aim for a more wide-ranging brake that restricts the entry of whole categories of migrant for a period of a several years, e.g. because of pressures on public services.

Could free movement come to an end?

If Britain exited the EEA and pursued individual trade and migration deals with EU partner countries, then free movement would end. This would raise several questions such as:

- what rules would be needed for EEA citizens already in the UK
- what cut-off dates would apply
- whether there would be an interregnum with much more limited immigration (and fewer

people eligible for services such as housing)

- what long-term rules might apply and whether they would be standardised, for example applying to all EU countries (or possibly say the original 11 EU member states).

What might replace free movement rules?

Exiting the EEA and current free movement rules would create huge uncertainty about future immigration rules. It may lead to even more complex entitlement rules which may change more frequently as individual trade agreements are concluded with different countries. Some possibilities that have been discussed are:

- new rules based on points systems which allow entry to the UK for those with pre-arranged employment in various categories of skilled work. This would debar many current EU migrants whose work falls outside those categories. Numbers of new entries would depend on the annual caps that are set under the points systems
- possible arrangements for unskilled workers in sectors like farming that depend on migrant labour; likely to be based on the employer providing accommodation
- rules about visitors, students, family members (including new spouses, etc.). Most entrants in these categories will not have housing eligibility, but rules may cater for those who subsequently need it (e.g. because of marital breakdown), as they do at present
- agreements with individual countries. For example, the government says it plans to retain the open border with Ireland, which suggests that Irish citizens would have the same or similar status to what they have now (including eligibility for benefits and housing if they are resident in the UK)



What about British nationals living elsewhere in the EU?

If negotiations do not protect the position of the 1.2 million UK nationals currently living in other EU countries, they may return, putting extra pressure on services here. Many may not at first be able to demonstrate they are habitually resident in the UK and will not be eligible for a housing allocation. If the government was to change the rules (e.g. in response to an influx of retired UK nationals) this might create considerable pressure on housing resources.

What might happen in Scotland?

Indications are that Scotland might have a second independence referendum, and that this might lead to it exiting the UK and aiming to rejoin the EU. This would inevitably have complex implications for rules on eligibility for benefits and housing in Scotland, which might change fundamentally and then (perhaps) revert to something like current rules. In any event, independence would of course mean that the Scottish Government, not the Home Office, would make the new rules.

What about checking EU nationals' documents?

The eligibility rules for housing or housing benefit are not likely to change in the near future as a consequence of Brexit. In England, 'right to rent' checks on documents apply to private landlords and to housing associations where they make their own allocations. But any citizen of the EU or the wider EEA is not covered by the legislation and has an automatic right to rent regardless of their work or benefit status, until the rules change. However, a document check will be needed for all applicants to ensure they are UK or other EU nationals. If right to rent checks are later extended to Scotland, Wales or Northern Ireland, the same will apply.

What happens next and how should housing organisations respond?

Changes in rules are likely to take several years. This is because the political negotiations may take two years and then time would be needed to produce new immigration rules. In the meantime, EU citizens will continue to be able to enter the UK and be eligible for benefits and to make a housing application or seek homelessness help, as they can now. Whether in this interim period there will be more or less net migration from the EU is impossible to project, as therefore are the possible effects on housing demand.

Further information

Keep up to date with Brexit and housing on our [Brexit webpage](#)

Learn about developments in the rules on housing and migration through the comprehensive information and guidance on the [CIH/BMENational housing rights website](#)

Find out when document checks are necessary from our [what you need to know](#) about housing associations and the right to rent