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Next release of NINo registration data: 27<sup>th</sup> November 2014

# **Statistical Bulletin**

National Insurance Number Allocations to Adult Overseas Nationals Entering the UK – registrations to June 2014

This annual report provides statistics regarding National Insurance Numbers (NINo) allocated to adult overseas nationals entering the United Kingdom (UK). A NINo is generally required by any overseas national looking to work or claim benefits / tax credits in the UK, including the self employed or students working part time.

The figures are based on recorded registration date on the HMRC National Insurance Recording and Pay as you Earn System, i.e. after the NINo application process has been completed. This may be a number of weeks or months (or in some cases years) after arriving in the UK.

A change to the process of recording NINOs during the quarter April-June 2014, means that the volume of NINo registrations recorded are lower in this quarter than would otherwise be the case (estimated to be around 15% - 25% lower in the quarter April - June 2014 and 2% - 5% lower for the year to June 2014). Therefore, comparisons of NINo registrations over time for the latest periods (quarterly and annually) should be viewed with caution. The process issues impact all nationalities i.e. the impact is not skewed to migrants from specific countries.

Statistics on National Insurance Number Allocations to Adult Overseas Nationals Entering the UK are full **National Statistics**;

The 'focus on' article contained in this report is an update from a previous release on nationality at point of NINo registration of DWP working age benefit recipients. **These are classed as Offical Statistics**.

# Headline Figures:

- The total number of NINo registrations to adult overseas nationals in the 12 months to June 2014 was 566 thousand, a fall of 7 thousand (1%) on the previous year.
- Within the European Union (EU) The number of NINo registrations from EU nationals in the 12 months to June 2014 was 421 thousand, an increase of 23 thousand (6%) on the previous year.
- The number of NINo registrations to adult overseas nationals from EU2 nationals (Bulgaria and Romania) in the 12 months to June 2014 was 85 thousand, an increase of 57 thousand (207%) on the previous year.
- Rest of the world The number of NINo registrations to adult overseas nationals from outside the EU the 12 months to June 2014 was 144 thousand, a fall of 30 thousand (17%) on the previous year.

If you have any comments or requests regarding this publication, please contact DWP via stats-consultation@dwp.gsi.gov.uk.



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Further information and statistics on NINo registrations to adult overseas nationals can be obtained using the Department's internet-based interactive tabulation tool - Stat-Xplore (click here)



# Definition of World Area

For reporting purposes, countries have been grouped into 'world areas' based primarily on geographical location. Throughout this document Europe is represented as 3 world areas reflecting their status within the European Union (EU). These are:

**Europe - EU excluding Accession Countries**: (EU14) Founder members or countries acceding to the EU prior to May 2004. These comprise of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Portugal, Republic of Ireland, Spain, Sweden

**Europe - EU Accession Countries**: Countries acceding to the EU from May 2004.

<u>Joined the EU 1<sup>st</sup> May 2004</u> – (EU8) Czech Republic, Estonia, Hungary, Republic of Latvia, Republic of Lithuania, Poland, Slovak Republic, Republic of Slovenia.

Cyprus and Malta (Joined the EU 1<sup>st</sup> May 2004 but not referred to as part of the EU8)

<u>Joined the EU 1<sup>st</sup> January 2007</u> – (EU2) Bulgaria, Romania <u>Joined the EU 1<sup>st</sup> July 2013</u> - Croatia

**Europe – Non EU**: European countries that are not members of the EU at 1<sup>st</sup> April 2014.

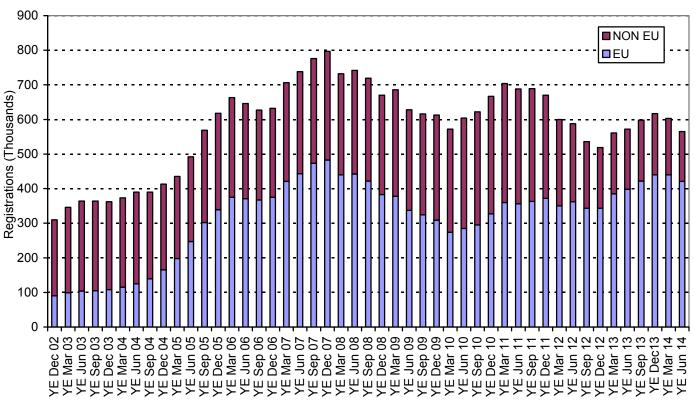
Note: European Economic Area (EEA) comprises of the member states of the European Union plus Iceland, Liechtenstein, and Norway



## 1 NINo Registrations to adult overseas nationals entering the UK

#### Time series

Fig 1.1 : NINo registrations to adult overseas nationals entering the UK, registration time series by quarter (12 month total to the end of the quarter), December 2002 to June 2014.



Source: 100% extract from National Insurance Recording and Pay as you Earn System (NPS).

# Within the European Union (EU):

In the 12 months to June 2014, 249 thousand NINo's were registered to the EU accession countries (who acceded to the EU from 2004 onwards, see definition p3) – an increase of 35 thousand (16%) on the previous year.

Registrations to other EU nationals (EU14), 172 thousand, fell by 7%.

# Rest of the world:

Outside of the European Union, annual registrations to all world areas have typically fallen to lowest levels since the reporting period began (2002/03).

Those to European, non-EU nationals remained steady.

84 thousand NINo's were registered to Asian & Middle East nationals during 2013/14 – 12% lower than in 2012/13.

Registrations to those from the Americas fell by 1% to 22 thousand.

Registrations from Africans fell by 4% (to 30 thousand) and from Australasia and Oceania fell by 9% (to 15 thousand).

Fig 1.1 has been derived from the quarterly time series available in <u>Stat Xplore</u>:

<sup>1.</sup> Registration date is derived from the date at which a NINo is maintained on the NPS

<sup>2.</sup> For consistency of reporting, EU refers to current EU status at Publication (August 2014) for the entire Back Series including the periods before Accession and after transitional arrangements have ended

<sup>3.</sup> Caution should be taken in interpreting trends based on raw quarterly data, hence a '12 month to date' rolling total is shown 4 Caution - A change to the process of recording NINOs during the quarter April-June 2014, means that the volume of NINo registrations recorded are lower in this quarter than would otherwise be the case.



Fig 1.2 : NINo registrations to adult overseas nationals entering the UK, top 20 countries, 12 months to June 2014

		year to		year to	year to
		June 2014	% change	June 2013	June
year to June		Total	from year to	(thousands)	2013
2014 Rank*	Country	(thousands)	June 2013	,	Rank
1 •	Poland	91.56	-5%	96.48	1
2 🛦	Romania	63.43	259%	17.69	9
3 ▼	Spain	41.07	-13%	47.32	2 3
4 ▼	Italy	38.53	8%	35.83	3
5 ▼	India	25.92	-16%	30.78	4
6 ●	Portugal	24.14	-8%	26.13	6
7	Bulgaria	21.59	116%	9.99	18
8 ▼	Hungary	20.23	-20%	25.22	7
9 ▼	France	20.02	-9%	21.90	8
10 ▼	Rep of Lithuania	19.34	-27%	26.61	5
11 ▼	Rep of Ireland	14.78	-7%	15.83	10
12 ▼	Pakistan	10.68	-30%	15.30	11
13 ▲	Slovak Rep	10.68	-9%	11.69	14
14 ▼	China Peoples Rep	10.07	-15%	11.84	13
15 ▼	Rep of Latvia	9.59	-28%	13.26	12
16 ▲	Nigeria	9.58	-8%	10.39	17
17 ▼	Germany	9.45	-14%	10.98	16
18 ▼	Australia	9.15	-21%	11.64	15
19 ▲	Greece	8.30	-7%	8.96	20
20 🛦	Czech Rep	7.91	-6%	8.44	21

<sup>\*▲,▼ :</sup> indicates **ranking** movement from previous year

Source: 100% extract from National Insurance Recording and Pay as you Earn System (NPS).

Caution - A change to the process of recording NINOs during the quarter April-June 2014, means that the volume of NINo registrations recorded are lower in this quarter than would otherwise be the case.

Factors thought to be influencing the trends in terms of NINo registrations across different nationalities / world areas are:

- The restrictions placed on **non-EEA** workers and students India, Pakistan, China Peoples Republic, Australia and Nigeria all showing continued falling trends since 2010/11.
- High unemployment rates, particularly from countries most severely impacted by the euro zone crisis Spain, Portugal, Greece, Italy.
- Lifting of transitional employment restrictions (1<sup>st</sup> January 2014) for EU2 nationals

Note - Bulgaria and Romania joined the European Union (EU) on 1 January 2007. Since then, migrants from Bulgaria and Romania (collectively known as the EU2) coming to the UK were subject to transitional employment restrictions, which placed limits on the kind of employment they could undertake. These restrictions ended on 1 January 2014.

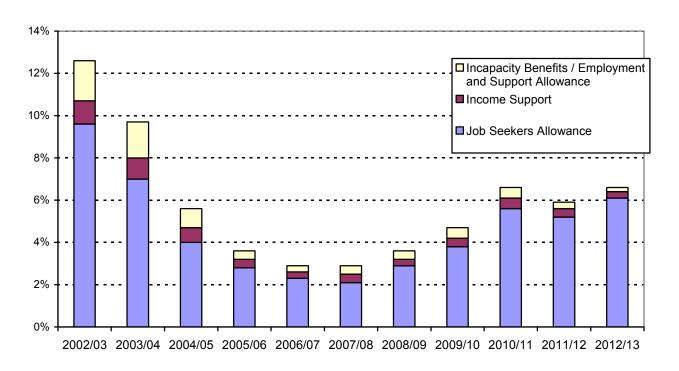
Previously published analysis indicates that EU2 NINo registration figures from the 1<sup>st</sup> January 2014 are actually reflecting migration over an extended period: 73% of those EU2 nationals registering for a NINo since transitional controls were lifted had arrived in the UK before 1<sup>st</sup> January 2014 – <u>see analytical report May 2014</u>



DWP produces quarterly National Statistics of benefit claimants in the UK. In particular, key out-of-work benefits data (Jobseekers Allowance (JSA), Employment and Support Allowance (ESA), Incapacity Benefit (IB), and Income Support (IS)).

NINo registration data have been merged with DWP benefits data to show numbers and proportions of adult overseas nationals claiming one of the above benefits within **6 months of NINo registration**. Note - A claimant may have arrived in the UK months / years prior to NINo registration

Fig 1.3: Percentage of `adult overseas nationals entering the UK claiming a DWP key outof-work benefit within 6 months of NINo registration, by year of registration.



Source: 100% extract from National Insurance Recording and Pay as you Earn System (NPS)

Benefits data used for matching is the National Benefits Database – **provisional benefits data to March 2014** has been used and is subject to a small amount of retrospection.

Benefits are arranged hierarchically (JSA, ESA, IB, IS) and claimants are assigned to the topmost benefit which they receive to avoid double counting.

Latest registration data for 2013 /14 is not shown as for some registrations the reporting period to link to benefit claims has yet to elapse.

Of the 562 thousand NINo registrations in 2012/13, 38 thousand (6.7%) were claiming a key out-of-work benefit (see above) within 6 months of NINo registration date. This compares to 35 thousand (5.9%) on the previous year (2011/12).

Of the 38 thousand registrations in 2012/13 claiming a benefit within 6 months of registration, 92% claimed JSA, 5% claimed ESA / Incapacity Benefits and 3% claimed IS.

2 Focus on (Part 1): Nationality at point of National Insurance number registration of DWP benefit claimants

Data on nationality is not routinely published as the source systems used to capture and process benefit claims, typically do not include a nationality marker. For *contributory benefits*, nationality is not a qualifying factor, as eligibility is determined by the National Insurance contributions that the claimant has made. For *other income-related benefits* where residency conditions apply and the claimant must be lawfully resident in the UK, nationality is a factor. Once residency has been determined, nationality is not required for further processing and is therefore not routinely held on DWP computer systems.

These statistics **do not** provide a measure of non-UK nationals currently claiming benefits based on **their current nationality**. The statistics **do** provide an\_**estimate** of the number of people currently claiming benefit who, **when they first registered for a NINo (that is, first entered the labour market), were non-UK nationals.** 

Further details on the methodology and data limitations may be found in the technical annex of the original report (link below), including results from a sample exercise to match non-EEA claimants (recorded as foreign nationals at NINo registration) with UK Border Agency (UKBA) systems. This suggested that more than half (54%) will have obtained British citizenship subsequently, and the majority of the remainder will have some form of immigration status providing legitimate access to public funds.

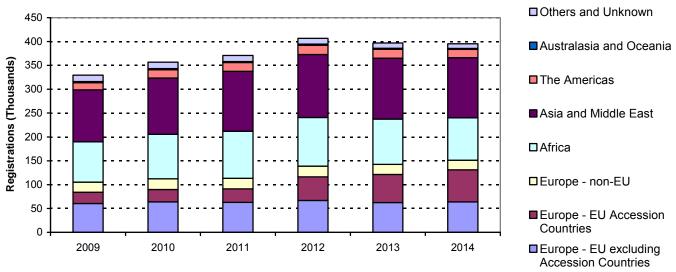
www.gov.uk/government/uploads/system/uploads/attachment\_data/file/196677/nat\_nino\_regs.pdf

# Working Age:

- As at February 2014, 5.3 million people were claiming DWP working age benefits. Of these 395 thousand (7.4%) are estimated to have been non-UK nationals when they first registered for a NINo. This compares with 397 thousand (7.0%) in Feb 2013.
- Across all DWP working age benefits, 33% of those claimants who were non-UK nationals at the time they first registered for a NINo were from within the European Union. Of the remainder, Asia and Middle East (32%) and Africa (23%) form the largest proportion of those claimants who were non-UK nationals at the time of first NINo registration.
- 11.7% of Jobseekers Allowance claimants (as at February 2014) were non-UK nationals at NINo registration, of these 48.4% were from within the European Union.
- As at February 2014, approximately 15% of working age UK nationals were claiming a DWP working age benefit compared to 7% of working age non-UK nationals (at the time they first registered for a National Insurance Number) (resident working age UK population figures based on country of birth 2012, ONS). Claimants who were non-UK nationals when they registered for a NINo may of course subsequently have become permanent residents or British citizens.

## Results

Fig 2.1 : Non-UK nationals at NINo registration: DWP working age benefit claimants by world area, Feb-2009 to Feb 2014, Great Britain



**Source:** DWP: Work and Pensions Longitudinal Study, and HMRC National Insurance and Pay as you Earn System (NPS). See notes in technical annex.

Fig 2.2: non-UK nationals at NINo registration: DWP working age benefit claimants by Client Group and world area, February 2014, Great Britain

**Thousands** 

	Total	Jobseeker	ESA and	Lone	Carer	Other	Disabled	Bereaved
			incapacity	Parent		Income		
			benefits			Related		
All	5,309.58	1,145.63	2,459.30	480.09	544.93	138.72	461.53	79.37
UK	4,914.16	1,011.64	2,316.52	441.95	499.22	129.26	443.70	71.87
Europe - EU excl Accession Countries	63.72	26.25	23.78	3.59	4.59	1.26	2.94	1.32
Europe - EU Accession Countries	67.27	38.58	15.68	3.86	5.11	0.72	2.65	0.67
Europe - non-EU	20.08	3.75	10.42	2.15	2.24	0.45	0.82	0.24
Africa	88.98	29.34	29.93	16.28	6.91	2.11	3.14	1.27
Asia and Middle East	126.11	28.78	50.59	9.63	23.95	3.62	6.49	3.05
The Americas	17.47	5.22	6.42	2.29	1.71	0.32	0.94	0.57
Australasia and Oceania	1.85	0.41	0.77	0.10	0.22	0.04	0.17	0.13
Others and Unknown	9.94	1.67	5.19	0.23	0.98	0.94	0.69	0.24
Total Non-UK	395.42	133.99	142.78	38.14	45.71	9.46	17.83	7.51
% Non UK Nationals	7.4%	11.7%	5.8%	7.9%	8.4%	6.8%	3.9%	9.5%

**Source:** DWP: Work and Pensions Longitudinal Study, and HMRC National Insurance and Pay as you Earn System (NPS). See notes in technical annex.

- 134 thousand (11.7%) of Jobseekers Allowance claimants were are estimated to have been non-UK nationals when they first registered for a NINo. Of these, 48% are from within the European Union (at NINo registration).
- 143 thousand (5.8%) of ESA and incapacity benefits claimants were are estimated to have been non-UK nationals when they first registered for a NINo. Of these, 28% are from within the European Union (at NINo registration).

Fig 2.3 : Non-UK nationals at NINo registration: DWP working age benefits by Client Group and top 10 nationalities, February 2014, Great Britain

All Working Age			
Pakistan	35.58		
Poland	29.22		
Somalia	20.03		
India	18.71		
Bangladesh	15.64		
Iran	14.57		
Rep of Ireland	14.38		
Portugal	13.03		
Iraq	12.02		
Turkey	10.35		

Jobseekers				
JUDSECKEIS				
Poland	14.88			
Pakistan	6.91			
Slovak Rep	6.69			
Portugal	6.21			
Somalia	5.61			
Iran	4.86			
Czech Rep	4.56			
Rep of Lithuania	4.08			
Spain	3.87			
Italy	3.5			

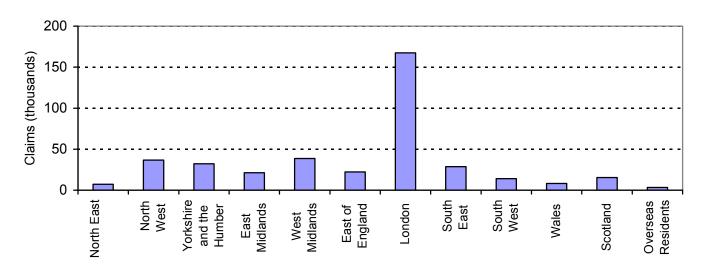
ESA and Incapacity benefits			
Pakistan	12.54		
Rep of Ireland	8.44		
India	8.14		
Poland	8.09		
Iran	7.65		
Somalia	7.03		
Turkey	6.11		
Iraq	6.06		
Bangladesh	5.73		
Portugal 4.16			

Thousands			
Lone Parent			
Somalia	4.16		
Pakistan	3.62		
Poland	1.9		
Jamaica	1.5		
Nigeria	1.44		
Eritrea	1.42		
Bangladesh	1.12		
Iraq	0.98		
Ghana	0.98		
Congo	0.98		

**Source:** DWP: Work and Pensions Longitudinal Study, and HMRC National Insurance and Pay as you Earn System (NPS). See notes in technical annex.

The current working age claimants who were non-UK nationals at the time they first registered for a NINo come from a wide range of different countries, reflecting those coming to the UK to work, joining family members already resident in UK or as refugees granted asylum status. It should be recognised that for some of the claimants their country of birth will not be the same as their nationality.

Fig 2.4: non-UK nationals at NINo registration: DWP working age benefit claimants by region, February 2014, Great Britain



**Source:** DWP: Work and Pensions Longitudinal Study, and HMRC National Insurance and Pay as you Earn System (NPS). See notes in technical annex.

There is a significant disparity between the proportion of all GB working age benefit claimants living in London (13%) and the proportion for non-UK nationals (42%) – based on latest claimant address not the address at time of NINo registration. This partly reflects the high proportion of London residents who were either foreign nationals or were born abroad. ONS statistics show that around 38 per cent of all working age UK residents born abroad are living in London, and in 2013/14, of the 603 thousand NINo registered to non-UK nationals entering the UK, 40% were within the London Region.

#### 3 Notes/Sources

DWP receive a quarterly cumulative scan from HMRC's National Insurance Recording and Pay as you Earn System (NPS) which contains details of all adult overseas nationals allocated a NINo. This is used to produce these National Statistics.

Data released on 28th August 2014 relates to NINo registrations for the period to 30<sup>th</sup> June 2014. the statistics are published as part of the scheduled timetable for the release of cross-Government migration statistics.

A change to the process of recording NINOs during the quarter April-June 2014, means that the volume of NINo registrations recorded are lower in this quarter than would otherwise be the case (estimated to be around 15% - 25% lower in the quarter April - June 2014 and 2% - 5% lower for the year to June 2014). **Therefore, comparisons of NINo registrations over time for the latest periods (quarterly and annually) should be viewed with caution**. The process issues impact all nationalities i.e. the impact is not skewed to migrants from specific countries.

The registration date referred to in this report represents the date the information on the individual was processed on HM Revenue and Customs' National Insurance Recording and Pay as you Earn System (NPS) i.e. after the NINo application and allocation process has been completed. This may be a number of weeks or months after arriving in the UK. The registration series is not subject to any future change.

The DWP NINo data covers people allocated a NINo for all types of work – including the self-employed and students working part-time – and whatever the length of stay in the UK. It also covers adult overseas nationals allocated a NINo to claim benefits or tax credits. In addition, the data is a 100% sample held at case-level data sources. In particular, the data can be merged with benefits data to show how many entrants claim key benefits following their NINo registration in the UK.

The DWP NINo data does not show when overseas nationals subsequently depart the UK, nor does it show length of stay in the UK. The DWP figures are therefore a measure of inflow of overseas nationals registering for a NINo. It does not measure outflow or overall stock of overseas nationals in the UK.

The definition of migrants in this publication – adult overseas nationals allocated a NINo – differs from other published statistics in the area, such as International Migration statistics derived from the International Passenger Survey (IPS), and statistics on foreign workers derived from the Labour Force Survey (LFS). The various definitions of migrants mean the data sources may have different numbers of migrants for the same time period.

The figures reflect adult overseas nationals allocated a NINo through the adult registration process. In addition there will be a small number of overseas nationals (aged 16-19 yrs) allocated a NINo automatically through the Juvenile Registration scheme. This occurs when the individual has previously been allocated a child registration number. These juvenile cases are not captured by the statistics.

## Other statistics on migration

The Migration Statistics Quarterly Report provides a comprehensive picture of the various sources of migration statistics available and analysis of trends and includes headline NINo statistics. <a href="http://www.statistics.gov.uk/statbase/Product.asp?vlnk=15230">http://www.statistics.gov.uk/statbase/Product.asp?vlnk=15230</a>