

## How the cost of living crisis is impacting people affected by No Recourse to Public Funds condition

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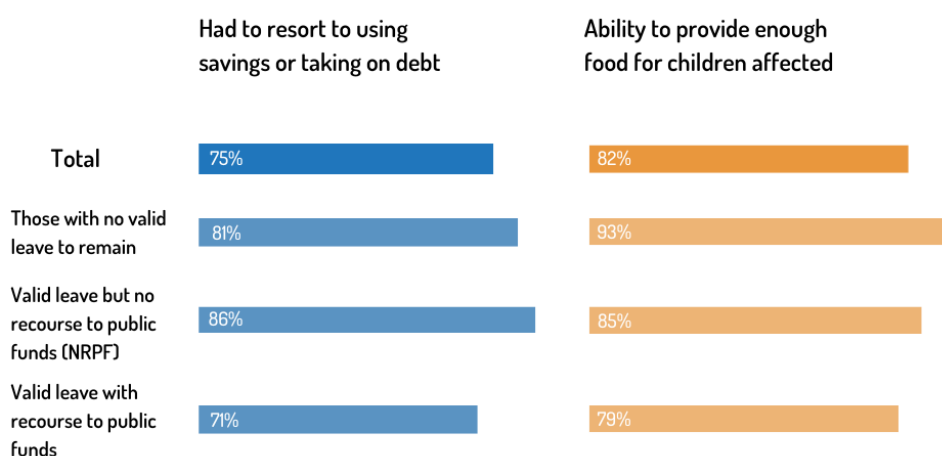
*This briefing sets out an overview of how the cost of living crisis is impacting people who are affected by the No Recourse to Public Funds (NRPF) condition, based on research and analysis conducted by Praxis between October and December 2022. It highlights that those who are denied access to the social safety net by the NRPF condition face significant financial challenges due to the cost of living crisis, yet are unable to access a significant proportion of the support rolled out by Government since the crisis began. This is exposing people with NRPF, including children and British citizens, to heightened risks of poverty, destitution and homelessness.*

### How the crisis is impacting people affected by NRPF

Since the costs of energy, food and other basic necessities began rising rapidly in late 2021, Praxis has observed an increase in the number of people using accessing our immigration advice and welfare services who are struggling to make ends meet.<sup>1</sup>

According to research recently conducted with people that use our services, 8 out of 10 of those who responded said they're struggling to afford enough food to feed their children. For those still on the pathway to settlement, more than 9 in 10 are struggling. 91% of respondents feel very worried about making ends meet, with a significant proportion of those reporting this anxiety is detrimentally affecting their mental health. Three quarters of our clients have had to take on debt, or dip into their savings, in order to afford the costs of basic essentials.

## Eight in ten of our service users are struggling to feed their children



### Why migrants are at risk in the cost of living crisis

<sup>1</sup> The survey of Praxis service users was conducted in September 2022, and was completed by 111 people.

While the cost of living crisis is affecting almost everyone, people who have migrated to the UK face a number of additional challenges that leave them particularly vulnerable to rapidly rising prices. Here's why:

1. **Migrants are statistically more likely to be in low-paid and insecure work than the general UK population**, and face a [disproportionate risk](#) of destitution. As such, they are vulnerable to rises in the cost of living, just like other low-income population groups. [Research](#) indicates that while the majority of migrants affected by NRPF are in work, nearly three quarters earn under the UK median income;
2. **An [estimated 1.3 million migrants](#) are barred from accessing the social safety net by the No Recourse to Public Funds condition** – even if they have lived in the UK for many years already, and even if they are working and paying taxes. This means that people on low incomes are denied access to in-work benefits that serve to top up their incomes, as well as measures designed to prevent or alleviate poverty – including Universal Credit and Child Benefit. Although it's theoretically possible for some people to access support in an emergency, in practice applying for this support is so complex as to be out of reach for most;
3. **Some migrants face additional hurdles in finding or keeping jobs because they are required to reapply for leave to remain every 30 months, and the Home Office is currently taking 11 months on average to process these re-applications**, leaving people with no physical proof of their status for an extended period. This has led to [tens of thousands of people](#) being wrongfully suspended from or denied employment. **Combined with exclusion from the social safety net, this leaves some particularly vulnerable to cost of living shocks;**
4. **Finally, migrants are also required to pay various fees to renew their leave to remain in the UK, which cost a minimum of £2,608 per adult every 30 months.** For people who are on low incomes and are also excluded from welfare support, the need to pay these fees created significant additional pressure on household finances.

### What support is available for people affected by NRPF

The Government has rolled out a much-needed package of support measures since the cost of living crisis began. However, despite the elevated poverty risks facing migrants outlined above, **most cost of living support is simply not accessible to them**, as the table below demonstrates.

Support scheme	Is a typical person with No Recourse to Public Funds eligible?
Existing support (2021-2022)	
Energy Bills Support Scheme	YES
Energy Price Guarantee	YES
Cost of Living Payment	NO
Warm Home Discount Scheme	NO
Disability Cost of Living Payment	NO
Pensioner Cost of Living Payment	NO
Winter Fuel Payment	NO
Cold Weather Payment	NO
New support (from April 2023 onwards)	
New Cost of Living Payment	NO
New Cost of Living Payment for Pensioners	NO
New Disability Cost of Living Payment	NO
Energy Price Guarantee	YES

According to Praxis' analysis, a typical migrant with the NRPF condition attached to their leave to remain is only eligible for universal cost of living support – namely, the Energy Bills Support Scheme and the Energy Price Guarantee. This means that low-income migrant households, including those living in poverty, are unable to access any additional support, such as the Cost of Living payment. Migrants are excluded from this support primarily because they are tied to existing access to means-tested benefits, which the NRPF condition prevents them from accessing. While people affected by NRPF are theoretically able to access support via the local authority-administered [Household Support Fund](#), a lack of clear guidance and low levels of awareness mean that, in practice, this is not happening.

The lack of additional cost of living support available to low income migrant households or those living in poverty leaves this group particularly vulnerable, and creates risks of destitution and homelessness. Given that even short periods in poverty can have lifelong detrimental consequences, especially for children, the need to extend support to all households that need them is urgent.

In his [Autumn Statement 2022](#), the Chancellor committed to targeting cost of living support to those who are most vulnerable, including several important measures that will make a real difference to low income families from April 2023, such as uprating benefits in line with inflation and raising the minimum wage. However, for low-income migrant households, and those living in poverty, many of these measures will remain out of reach. All support for the most vulnerable remains tied to benefits, while uprating of these benefits will not help those who are excluded from them.

### **What change is needed**

The Government needs to take urgent steps to ensure that truly everyone who needs it can get help with the cost of living, to prevent a spike in destitution and homelessness amongst migrant households.

**Ultimately, the best way to do this is to abolish the NRPF condition in its entirety, thereby ensuring that anyone who needs it can access the social safety net. We already know that the benefits system is the simplest and most efficient way of getting targeted support to those that need it.**

Short of this, the following urgent steps are needed:

1. The Government should amend cost of living support schemes to actively include people affected by the NRPF condition. This could be done by providing alternative eligibility criteria based on income and immigration status, rather than receipt of benefits, as has been done recently with Free School Meals;
2. Energy and other utility suppliers should also introduce alternative eligibility criteria for their discretionary support schemes, so that people in need of support are not required to demonstrate receipt of benefits;
3. The Government should clarify that people affected by the NRPF condition can access support through the Household Support Fund, by amending relevant legislation so that discretionary welfare funds are not public funds. The Government must also ensure that this is implemented appropriately in local areas;
4. Any future cost of living support for vulnerable households should be designed so that receipt of benefits is not the only way to demonstrate eligibility. Care must also be taken that support is not classed as a public fund for immigration purposes, following a [near-miss with the Council Tax rebate in 2022](#).