





Paying their way: Extending the right to work to all survivors of modern slavery

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Pro Bono Economics uses economics to empower the social sector and to increase wellbeing across the UK. We combine project work for individual charities and social enterprises with policy research that can drive systemic change. Working with 400 volunteer economists, we have supported over 500 charities since our inception in 2009.



Hestia supports adults and children in times of crisis. The charity delivers services across London and the South East, as well as advocating nationally on issues that affect the people we work with.

Last year, Hestia supported 15,238 people, including survivors of modern slavery and domestic abuse, people with mental health difficulties, older people, as well as care leavers and those leaving prison.

Summary

Modern slavery is too common in the UK. Thousands of adults and children are enslaved and subjected to forced labour, sexual and criminal exploitation, human trafficking, organ harvesting, child exploitation and household servitude. The scale of these immoral and criminal labour practices has become increasingly clear as the number of likely survivors of modern slavery reported to the authorities has soared dramatically in recent years, reaching nearly 13,000 in the 12 months to June 2022. This is a level nearly four times higher than it was just five years ago. However, given its very nature, modern slavery is often a hidden crime, meaning that the numbers reported to authorities are likely to be just the tip of the iceberg in terms of the total number of survivors in the UK today.

Being a survivor of modern slavery takes a huge mental, physical and emotional toll. Many survivors of modern slavery report feeling lonely, hopeless and like there is no way out. The National Referral Mechanism (NRM) - the system for identifying and supporting potential survivors of modern slavery – offers a lifeline. It provides financial help, assistance with accommodation, advice, and counselling services to help survivors move on from their experiences and start again.

However, the number of people waiting in the NRM – and therefore on a decision on their case – is growing. So is the length of time that people are waiting for a decision on whether their case should be formally recognised as 'modern slavery'. This suggests the rapid growth in referrals has not been matched by sufficient resources to manage the cases within the Home Office. As a result, we estimate that over 24,000 people were stuck in the NRM waiting for a conclusive grounds decision to be made at the end of 2021. This backlog of cases is up 72% on the year before and this has been building rapidly since 2017. Furthermore, in 2021 the average person waited for 452 days for a decision to formally recognise their case as modern slavery. This time has increased by more than 200 days since 2017 – up more than 80% over the last five years.

These growing delays leave potential survivors in a state of uncertainty for longer, as they wait for a decision on their status. This

is likely to compound what has already been described as a “frustrating” experience. In addition to this, for those without a right to work in the UK, living on subsistence payments provided through the NRM can lead to prolonged periods of financial hardship. With the equivalent of under £10 a day to cover food and living costs, remaining in the NRM for a long period of time is especially challenging during the current cost of living crisis.

However, we estimate that if the right to work were extended to the 7,000 adults currently in the NRM who are denied this right, then it could reduce this financial hardship and provide a boost to the economy of between £10 million and £41 million. This includes £8 million to £32 million in the form of increased income for the survivors and £2 million to £8 million in benefits to the taxpayer in the form of increased tax revenue and reduced subsistence payments. In addition to the direct economic benefits, there are likely to be significant wider benefits from the improved health and wellbeing of those that get jobs.

Combining the extension of the right to work to all potential survivors of modern slavery with the support provided by expert social sector organisations through the NRM could offer a powerful solution to help survivors recover from the trauma of modern slavery. With the right safeguards in place to ensure people in the NRM are very likely to be genuine survivors, it would be a win-win decision - delivering both emotional and economic benefits to the survivors themselves, as well as providing benefits to wider society.

The average adult potential survivor with no right to work in the UK has to live off of a weekly subsistence of

£65

The average adult potential survivor with no right to work in the UK remains in the NRM for about

15-24 months

7,000

adults are estimated to be waiting in the NRM for a conclusive grounds decision, and don't have the right to work

The total potential benefits to society from extending the right to work to all those in the NRM who do not currently have it could be in the region of

£10mn-£41mn

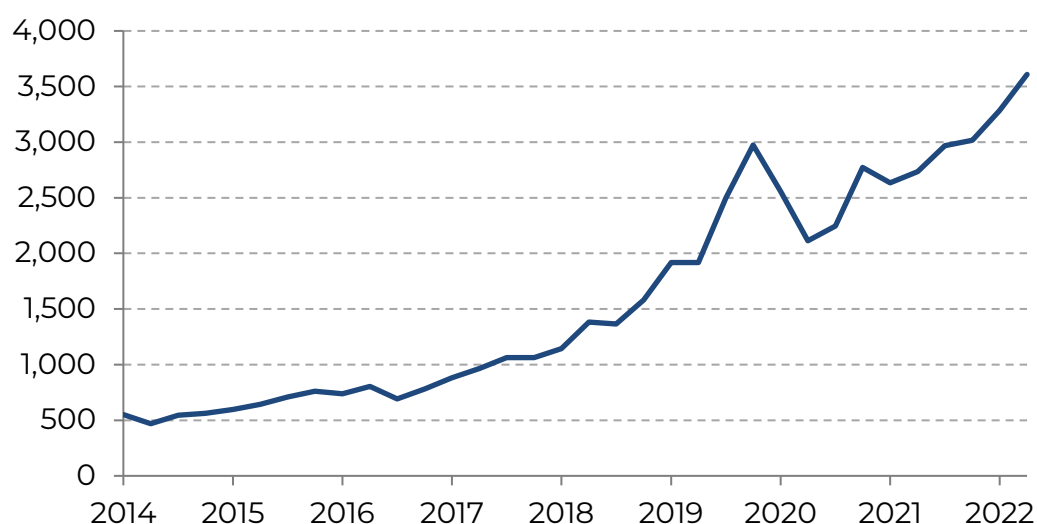
per year

Thousands of potential survivors of modern slavery are identified in the UK each year

Nearly 13,000 potential survivors of modern slavery were identified and referred to the authorities in the UK over the 12 months to June 2022. This is a 24% increase on the 12 months before. It represents the continuation of a long-term upward trend in the number of potential survivors being identified that leaves numbers nearly four times higher than they were just five years ago.¹

Figure 1. There is a strong upward trend in the number of potential survivors of modern slavery referred to the authorities

Number of referrals to the National Referral Mechanism each quarter



Source: Number of referrals (for children, adults and people with unrecorded age) to the National Referral Mechanism deemed to have "reasonable grounds", from Home Office (2022): National Referral Mechanism and Duty to Notify statistics UK, April to June 2022, Table 15

However, because modern slavery is a serious but often hidden crime, this is likely to be just the tip of the iceberg in terms of the total number of survivors of modern slavery in the UK today. Although we may never know exactly how many survivors there are or have been, the Global Slavery Index estimates that there could be about 130,000 experiencing modern slavery in the UK.² This would suggest that only 10% of potential survivors are being

¹ Home Office, [National Referral Mechanism and Duty to Notify statistics UK, April to June 2022](#), August 2022.

² <https://www.globalslaveryindex.org/2018/findings/country-studies/united-kingdom>, accessed 14 October 2022. Note that there are some caveats and limitations to this as it is based on an international model that estimates the number of survivors for each country.

referred by first responders to the National Referral Mechanism (NRM) each year.

What do we mean by “modern slavery”?

Modern slavery is an umbrella term that encompasses forced labour, sexual exploitation, criminal exploitation, human trafficking, organ harvesting, child exploitation and household servitude.¹

There are unfortunately several routes through which people fall into and remain in modern slavery. While survivors of modern slavery are diverse, people at high risk of being targeted for exploitation include disabled people, children and people from disadvantaged backgrounds both in the UK and abroad. Survivors are typically tricked, trafficked, threatened, physically restrained and/or indebted to people who want to exploit them.¹ This entrapment can come in the form of grooming children into drugs gangs; offering safe passage and fair employment to the UK and then having their passport taken; enslavement after entering a forced marriage.¹ People are kept in their situation by threats of violence, threat of deportation, threat of debt, emotional abuse, and physical imprisonment.

The National Referral Mechanism provides essential support to these potential survivors

Being a survivor of modern slavery takes a huge mental, physical and emotional toll. Many survivors of modern slavery report feeling lonely, hopeless and like there is no way out.³ Forced labour and coercion can include things like hard physical labour without appropriate health and safety measures in place, and sexual exploitation that can cause mental and physical harm. Slavery can have long-lasting effects on the person subjected to it, even if they do eventually escape their situation, because of the trauma of being trapped, being away from loved ones, having trust broken, and being on the receiving end of violence or threats.

The NRM is the system for identifying, referring and supporting potential survivors of modern slavery. It is led by the Single Competent Authority

³ <https://hopeforjustice.org/modern-slavery>, accessed 14 October 2022.

(SCA) within the Home Office. It is separate to the criminal investigations processes.

For potential survivors to enter the NRM, the process begins when a first responder such as the police, a local authority or charity, such as Hestia, refers a potential survivor (with their consent) to the SCA for admittance into the NRM. The SCA then have approximately five days to decide whether there are reasonable grounds to consider this person a possible survivor of modern slavery. If they submit a positive reasonable grounds decision, the person enters the NRM.

The evidence makes a powerful case that the reasonable grounds decision is a robust one. Some concerns have been raised over the risk the NRM and modern slavery laws might be “abused by people gaming the system”,⁴ but the Home Office’s latest data shows that the SCA judged that around 90% of all people leaving the NRM are genuine survivors of modern slavery. In the year up to June 2022, for every one person who had a negative conclusive grounds decision on their survivor status, nine people were granted a positive conclusive grounds status.⁵ This suggests that there are robust safeguards in place to ensure that the people who enter the NRM are genuine survivors.

While in the NRM, a person is supported by organisations such as The Salvation Army and Hestia with emergency accommodation support, education support for children, legal advice and counselling. Furthermore, all Modern Slavery Victim Care Contract (MSVCC) service users receive £40.85 per week when they are in the NRM. However, the total weekly amount for those who receive financial support from the National Asylum Support Service (NASS) goes up to £65 (the £40.85 is instead given by NASS directly, and MSVCC give an additional £24.15 on top).⁶

Once in the NRM, the individual waits for the SCA to make a conclusive grounds decision. This is when the SCA looks at all the evidence in much more detail than for the reasonable grounds decision, and decides whether it's very likely that the person is a survivor. If a positive decision is made at this stage, then the individual is recognised as a survivor of modern slavery, and is allowed to remain in the NRM for at least 45 more days of support before moving on. Hestia and other supporting organisations can suggest

⁴ <https://www.conservatives.com/news/2022/our-plan-for-law-and-order>, accessed 14 October 2022.

⁵ Home Office, [National Referral Mechanism and Duty to Notify statistics UK, April to June 2022](#), August 2022. Between 2021 Q3 and 2022 Q2 inclusive, there were 2303 conclusive grounds decisions made for people who were adults at the time of exploitation (see table 18). Of these, 2086 were positive, and 217 were negative. Dividing each subtotal by the total number of conclusive grounds decisions made, we find that 91% of conclusive grounds decisions in this time were positive and 9% were negative.

⁶ Home Office, [Modern Slavery: Statutory Guidance for England and Wales \(under s49 of the Modern Slavery Act 2015\) and non-statutory guidance for Scotland and Northern Ireland](#), June 2022.

that the person should be allowed to remain for longer if they deem it beneficial for them. However, if the individual receives a negative decision, that means the SCA thinks it is unlikely that the person is a survivor. The person leaves the NRM nine days after this decision is made, or they can challenge the decision and appeal for reassessment.

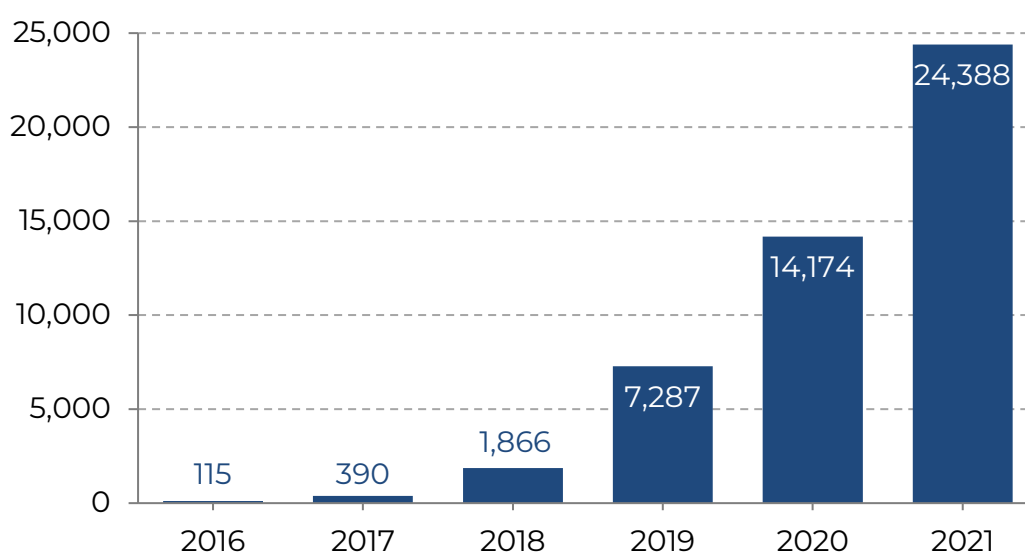
The conclusive grounds decision can be an important factor in non-UK residents being granted leave to remain in the UK. Without this leave to remain, many do not have a right to work while they are in the NRM, leaving them in a difficult and uncertain position while they wait for a decision to be made.

There are more people having to wait longer than ever for a decision

With increasing referrals and limited resources, the number of people waiting in the NRM is growing, and so is the length of time that they wait for a decision. By the end of 2021, we estimate that over 24,000 people were stuck in the NRM waiting for a conclusive grounds decision to be made.⁷ This backlog of cases is up 72% on the year before, and has been building rapidly since 2017.

Figure 2. There is a strong upward trend in the number of people waiting for a decision on their modern slavery status

Number of people waiting in the NRM by year end



⁷ Home Office, [Modern Slavery: National Referral Mechanism and Duty to Notify statistics UK, end of year summary 2021](#), March 2022.

Source: Pro Bono Economics estimates based on Home Office data on number of referrals and final decisions (for children, adults and people with unrecorded age) for NRM cases since 2009

Furthermore, in 2021 the average wait for a conclusive grounds decision was 452 days in the NRM. This time has increased by more than 200 days since 2017 – up more than 80% over the last five years.

Figure 3. The average person now has to wait three times longer for a modern slavery decision than in 2016

Median number of days taken to make a conclusive grounds decision



Source: PBE analysis of the Home Office NRM 2021 data

Delays have impacts on both survivors of modern slavery and taxpayer costs

These increasing delays leave potential survivors in a state of uncertainty for longer as they wait for a decision on their status. This is likely to compound what has already been described as a “frustrating” experience, particularly when they “want to start moving forwards with their lives”.⁸ Providers of survivor support have suggested that any delay in decisions can “exacerbate a sense of confusion and fear” and “impede them making a recovery”, particularly when combined with language and cultural barriers.⁹ More worryingly, some support groups have suggested that survivors can become “settled in support” provided through the NRM

⁸ Home Office, [An evaluation of the National Referral mechanism pilot](#), Research Report 94, October 2017.

⁹ Home Office, [Review of the National Referral mechanism for survivors of human trafficking](#), November 2014.

process, which can increase their experience of trauma when they have to leave.

In addition to this, for those without a right to work in the UK, living on subsistence payments provided through the NRM can lead to survivors experiencing “prolonged periods of financial hardship”.¹⁰ With the equivalent of just under £10 a day to cover food and living costs, remaining in the NRM for a long period of time is especially challenging at the moment, as the cost of living crisis means that it becomes increasingly difficult to cover the costs of basics with the fixed value subsistence payment.

¹⁰ UNHCR & British Red Cross, [At risk: exploitation and the UK asylum system](#), August 2022.

Furthermore, this financial hardship can create a risk that survivors of modern slavery disengage from the NRM or even become discouraged from entering in the first place, particularly where delays in the NRM decision-making process are impacting on claims for asylum. This can subsequently increase the risk of survivors being further exploited by traffickers.

Case Study 1: Joel's Story

Joel* is not employed and has been out of work for 11 years. He came to the UK having been abducted as a child and has lived in the country most of his life.

"I used to do IT and was working for the NHS. I started off computerising GP practices for one of the London NHS trusts, helping GPs to go paperless, introducing them to computers and arranging computer courses for the doctors and practice nurses.

"I stopped being able to work when it became apparent that I had been a victim of modern slavery when I first arrived, and my identity couldn't be proven. We're going through the courts now to try and prove who I am and that I've been here all my life and that will take a while."

"IT is my hobby and was my job, so it was a great job, because I was going to work to do something I loved. But then afterwards I lost interest, so I haven't really been keeping up with it for three years now. Whereas before, I was on a computer about 16/18 hours a day, now I don't touch a computer.

"The only reason I'm not working is because I'm not allowed to. Any job would do, really, but I would like to work in IT again. Being unemployed made me appreciate the benefit of working, of any job. If it was sweeping the street at least I've got a job. Any job is better than staying home."

*Not his real name

Beyond the stresses placed on the survivors themselves, the cost of increasing delays also places a burden on taxpayers. Part of this cost is direct, through the increasing numbers of individuals requiring a sustained period of financial support. However, the bigger cost is likely to be through

the indirect impacts of delaying potential survivors access to the UK labour market. This reduces the output of the UK economy and ultimately the tax take of the government, increasing the burden on others.

Ensuring all potential survivors have a right to work could generate £10mn-£41mn in economic benefits each year

Employment can be fulfilling and an integral driver of a person's wellbeing; an opportunity to develop and enhance skills, as well as increasing financial independence. After a traumatic time of working in forced labour and experiencing exploitation, being able to choose to work may be empowering for the individual.¹¹ A recent survey by Hestia suggested that 69% of people waiting in the NRM would work now if they had the right to. Denying the right to work blocks the chance to feel empowered and to enjoy work.

Restricting the right to work for the estimated 7,000 adults currently in the NRM who do not currently have the right to work also has an impact on the potential output of the economy, as well as costs to taxpayers.

If the right to work were extended to all adults who do not currently have it while in the NRM, then we estimate economic net benefits of £3,000 to £13,000 for each potential survivor in the form of take-home pay minus tax and foregone subsistence.¹² The taxpayer could also benefit; increased income tax revenue and national insurance contributions, combined with potential cuts in subsistence payments spending, could lead to a net benefit to government and therefore the taxpayer. We estimate that the taxpayer could enjoy an economic net benefit between £1,000 and £3,000 for every person in the NRM who chooses to work after being given the legal right to do so.

Not every potential survivor who wanted a job would find one. However, given the typical employment rate for other complex cases, it is feasible

¹¹ Kalayaan, [Dignity, not destitution](#), October 2019.

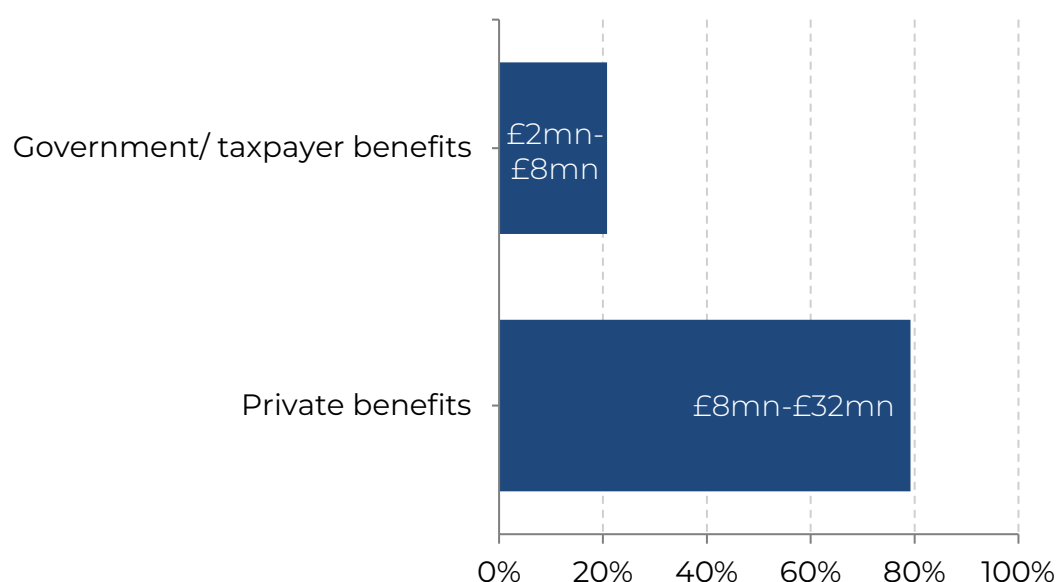
¹² If we assume these individuals are only eligible for the lower subsistence rate of £40.85 once they enter work. This is also allowing for the time it takes to find employment after entering the NRM. For full details on our methodology, please see Annex.

that around an additional 2,500 adults currently in the NRM could find employment if they were allowed.¹³

This suggests that extending the right to work to all adults currently in the NRM could provide net economic benefits of between £10 million and £41 million. Of this, £8 million to £32 million would be the net benefit to the individual in the form of take-home pay. And £2 million to £8 million would be the monetisable net benefit to the taxpayer or government in the form of increased tax revenue and reduced subsistence payments.

Figure 4: Extending the right to work could result in significant net benefits to both the individuals and taxpayers

Estimated net private and government/taxpayer benefits, as percentage of estimated net benefits to society



In other words, by denying the right to work to all individuals in the NRM, the opportunity cost to society as a whole could be between £10 million and £41 million per year.^{14 15}

¹³ This is based on evidence from the DWP's Health and Work Programme, full details are provided in the Annex.

¹⁴ It is important to note that our estimates are underpinned by a number of assumptions. Whilst we have tried to be conservative in our approach the estimates should be considered indicative in their nature. We have not included indirect effects (e.g. human capital effects on economic growth, intergenerational wealth effects), monetisation of the other direct effects (e.g. the wellbeing benefits that may arise from employment) or any costs incurred through transitioning and implementing the right to work policy for all people in the NRM.

¹⁵ In line with the DWP's guidance we have not included the impact of substitution effects (the fact an NRM survivor could take a job that would otherwise be filled by somebody else) in our core estimates. However, we have explored the impact of assuming that up to 20% of the jobs found by adults in the NRM come at the expense of non-NRM participants. We still find that the benefits to society

In addition to the direct economic benefits, there are likely to be significant wider benefits from the improved health and wellbeing of those that get jobs. Unfortunately, while there is plenty of evidence of the health and wellbeing benefits of employment more generally, there is insufficient evidence specifically relating to survivors of modern slavery to robustly quantify these benefits at this point in time.¹⁶ However, this suggests that our estimates are likely to be conservative in their nature.

outweigh the costs by £8 million to £33 million per year of the right to work being extended to all in the NRM.

¹⁶ See, for example, discussion in: D Fujiwara, [The Department for Work and Pensions Social Cost-Benefit Analysis framework](#), November 2010; What Works Centre for Wellbeing, [Unemployment, \(Re\)employment and Wellbeing](#), March 2017.

Case Study 2: Maxine's story

Maxine*, a single parent, waited almost two years before she was able to work. During this time, she struggled to buy her daughter the things she needed. Now, Maxine has recently started a job as a receptionist at a health spa. Her improved income has enabled her to provide better for her daughter and her new financial independence is extremely precious to her.

"I don't want to stay in accommodation that someone else gives me, paying my rent, giving me money or clothes. It's very good that they do it and I appreciate it, but this is not the life I want. I want a normal life; go to work, pay my bills, pay my taxes, do everything myself, so we can be equal to everyone else."

While she waited for her right to work, she completed an employment programme, which she found very helpful.

"I learned how to build my CV, how to find my skills, what I like, how to find my strength. We were all females in the same situation, and the lady doing the programme was so lovely. It made an impact to find our strength inside us, that we can do it if we want. When I applied for this job with my new CV, they contacted me and hired me straight away. I'm so excited that finally I'm taking my life back."

The programme helped Maxine imagine a longer-term future career, and she hopes over time to be able to go to university and become a dental nurse. Her new job has helped with her emotional recovery.

"I am more connected to people, to know another world of people, I can take more experience from them and it makes me feel so positive inside – it gives me hope."

*Not her real name

A system that better supports survivors

The aim of the NRM is to support the individuals involved to recover from the trauma of slavery and remain safe from it. However, denying the right to work could be leading to perverse incentives that act against this basic principle.

When in the NRM, people have access to accommodation, counselling and financial support. However, with the cost of living increasing due to rising inflation, there is a real danger that people in the NRM without the right to work may be deprived of the essentials they need. This could push people back into exploitation and dangerous work, or even discourage them from consenting to enter the NRM in the first place. By not taking action to legalise work for anyone in the NRM, we might not be supporting survivors of modern slavery sufficiently and keeping them out of harm.

Additionally, not being able to work can negatively impact survivors' wellbeing - exacerbating existing difficulties for those in the system. Case studies suggest that confusion about the NRM process, uncertainty about the future, coping with trauma, living in difficult emergency accommodation conditions, and difficulties trusting new people are often part of the experience of waiting in the NRM.

And these costs are only likely to rise over time. Growing demands on the system are likely to further increase the time the average person is waiting in the NRM and the number of people waiting each year for a Conclusive Grounds Decision.

Combining the extension of the right to work to all potential survivors of modern slavery with the support provided by expert social sector organisations through the National Referral Mechanism could offer a powerful solution to help survivors recover from the trauma of modern slavery. It would be a win-win decision - delivering both emotional and economic benefits to the survivors themselves as well as providing benefits to wider society.

“For the thousands of individuals stuck waiting for a decision in the National Referral Mechanism, the uncertainty and confusion can compound the impact of the trauma they have already suffered.

“Allowing these people to work while they are in the NRM could generate enormous benefits to their wellbeing, alongside the vital support they receive from social sector organisations like Hestia.”

“This new research from PBE shows that extending the right to work to all potential survivors of modern slavery could also deliver millions of pounds in economic benefits for survivors themselves and wider society.”

Lord Gus O'Donnell
Chair of Pro Bono Economics

Annex A – Methodology

To estimate the possible net economic benefits to society of extending the right to work to all in the NRM who do not currently have it, we followed the following methodology.

Step one: estimating the number of suspected adult survivors of modern slavery in the NRM system

Table 18 in the National Referral Mechanism and Duty to Notify statistics UK, end of year summary 2021 presents the flow of people entering and exiting the NRM through conclusion decisions, appeals, and other reasons. In the absence of the specific data that we need, we estimate using this data, that there are 24,388 people still waiting within the NRM for a conclusive grounds decision at the end of 2021. We do this by subtracting the number of people leaving the NRM between 2009 and 2021 (i.e. all conclusive grounds decisions, negative reasonable grounds decisions, suspensions/withdrawals, pending reasonable grounds decisions, and deaths) from the number of people entering the NRM over that time (i.e. total decisions made on NRM referrals).

There is no data available on how many of these are adults, or more specifically adults without the right work in the UK. We therefore use Table 15 data on the numbers of positive and negative reasonable grounds decisions in 2021. We find that out of all positive reasonable grounds decisions made in 2021, 50% are adults. We use this percentage as a proxy for the proportion of adults in the backlog, and estimate that the number of suspected adult survivors of modern slavery in the NRM system who are awaiting a conclusive grounds decision is 12,075.

Step two: estimating the percentage of adults who are in the NRM who do not have the right to work in the UK

Again, there is no data on this in the Home Office statistics. We draw upon Hestia user survey data from 2022 to estimate this percentage for all adults in the NRM. Hestia respondents are majority female, whereas those in the NRM are majority male. To account for the gender disparity in the two groups (and thereby differences in the right to work), we take the percentages by gender and weight them by count in the NRM data. In total, 43% of Hestia's female respondents said they had no right to work in the UK, and 64% of male respondents said the same. Table 3 in the Home Office data suggests that 25% of people referred to the NRM in 2021 were female, and 75% male. These numbers are the only available breakdown of people by gender in/referred to the NRM. We use this gender breakdown

as proxy for that of those in the backlog. Multiplying these gender percentages to the corresponding “right to work” responses by gender, we estimate that 58% of adults have no right to work in the NRM system

Step three: estimating the percentage of people who would want to work

We used Hestia’s service user survey question “how would you describe your current employment status?” to estimate how many would currently be working if they were given the right to work. We took responses of “currently unemployed and seeking a job” and “currently unemployed and would be seeking a job if I had the right to” as indicators of the people who would be in the labour market if they had the right. Therefore, after adjusting for gender differences in a similar way to step two, we estimate that 69% would want to work.

Step four: estimating the employment rate if they have the right to work

There is no data on the employment rate of survivors of modern slavery. There are some similar characteristics (language barriers being one of them) between survivors and asylum seekers, however. The Migration Observatory has researched labour market outcomes of asylum seekers in the UK based on the Labour Force Survey.¹⁷ We apply their estimate of asylum seeker employment rate as 51% as a proxy for the employment rate of those in the NRM.

Step five: estimating how long people stay within the NRM

According to NRM data for 2021, people on average waited for a conclusive grounds decision for 452 days, or 15 months. However, this is an average of the whole population including children; we have heard anecdotally that children wait for a shorter amount of time than adults for a decision. Hestia’s data suggests that the median length of stay in the NRM lies between two and three years.¹⁸ To be conservative, we have estimated the median to be at two years. It is possible that because Hestia beneficiaries are mainly in London and the South East, their wait may not be indicative of the length of time that the average person has to wait in the NRM. To take into account this uncertainty, we adopt a range of assumptions of between 15 and 24 months.

¹⁷M Fernández-Reino & C Rienzo, [Migrants in the UK Labour Market: An Overview](#), January 2022.

¹⁸ Based on data of active clients in service as of the end of August 2022.

Step six: estimating the length of time employed in NRM

The Work and Health Programme data that suggests that the median length of time it takes to find employment is 6-12 months for those in the programme.¹⁹ We think this is an appropriate proxy for those in the NRM, as the Work and Health Programme is for people who experience exceptional barriers to employment, and survivors are also likely to experience significant barriers too (i.e. language barrier).²⁰ To be conservative, we take the upper bound of this time category, 12 months, as our estimated average length of time it takes to get into employment.

We take the 12 month estimated employment search period away from our estimated average time spent in the NRM of 15 to 24 months. We calculate that the potential average length of employment while they wait could be approximately 3-12 months.

Step seven: estimating earnings, benefits and tax changes

We use the Migration Observatory's estimated average earnings of asylum seekers as proxy for the amount that could be earned by those within in the NRM if they were given the right to work - the equivalent of £16,000 per year. Additionally, we make a policy assumption that those who currently don't have the right to work become ineligible for asylum support (equivalent to a reduction in subsistence of £24.15 per week) if they enter employment when this right is extended to them. Using this assumption and current NIC and income tax rates, we estimate economic benefits per person per year employed to be £13,000, and for each person employed per year this would generate net benefits to the taxpayer of £3,000.^{21 22}

Step eight: calculation of net economic benefits

We multiply together our estimates from the previous steps (see Figure A1) to estimate potential economic benefits to society of extending the right to work for those who currently do not have it in the NRM.

¹⁹ DWP, [Work and Health Programme statistics to February 2022](#), May 2022.

²⁰ For more information on who is eligible, see: <https://www.gov.uk/work-health-programme>, accessed 14 October 2022.

²¹ <https://www.gov.uk/income-tax-rates>, accessed 14 October 2022.

²² <https://www.gov.uk/national-insurance-rates-letters>, accessed 14 October 2022.

Figure A1. We estimate net economic benefits of £10mn-£41mn per year

Number of victims of adults in the NRM per year		% with no right to work		% who would work		% who would be employed		Average length employment when in NRM		Expected total benefits per person
12,000	✖	58%	✖	69%	✖	51%	✖	3-12 months	✖	£16,000

£10mn-£41mn

in net economic benefits to society

Annex B – Key assumptions, limitations and Sensitivity Analysis

We use the best available evidence in our analysis. However, due to gaps in this evidence, there are some important assumptions and limitations. These data gaps are particularly pronounced in this case because we are trying to estimate the possible labour market behaviours of a group of people who do not currently have the right to be in the UK labour market.

Key Assumptions

Our key assumptions include:

- We assume that the Hestia survey respondents are representative of the broader population of the NRM. For example, we assume that the Hestia respondents' responses to whether they have the legal right to work would be similar to the NRM group. However, in reality there may be some differences between the Hestia sample and the whole NRM group. We aim to minimise these differences by using weights in our analysis where possible to adjust for the fact the female:male ratio is higher in Hestia beneficiaries compared to in the NRM as a whole.
- Due to data limitations, our analysis does not take into account the intergenerational, productivity or other indirect effects of letting survivors of modern slavery work legally in the UK. We have included labour market substitution effects in our sensitivity analysis as per DWP guidance.²³
- Our analysis does not take into account any future changes in the number of people waiting in the NRM, change in wage levels, or change in government policy, including subsistence payment levels.
- Our analysis relied on Hestia's 2022 user survey, which has its own limitations. These include the following:
 - a. The survey was opt-in, so it is possible that respondents are more likely to enter work than those who didn't respond anyway.
 - b. Since the survey closed, Hestia found out that one respondent already received a conclusive grounds decision at the time of their interview. It has been impossible for Hestia to track this person to their anonymous survey user ID. This means that we

²³D Fujiwara, [The Department for Work and Pensions Social Cost-Benefit Analysis framework](#), November 2010. See page 22, point 3.3.3.4.

have not been able to eliminate that person's responses from the data.

- We assume that the estimated number of people waiting in the NRM at the end of 2021 may not reduce much in future. Evidence suggests that the backlog number is growing, so this may actually underestimate the potential economic benefits in future years.
- We do not know how many adults are in the backlog. We have applied the percentage of positive reasonable grounds decisions that are for adults in our analysis as a proxy.
- We assume that the "right to work" responses are accurate. However, frontline NRM staff suspect that the true proportion of adults without the right to work may be higher than the 58% we have assumed. The survey result may be due to some respondents not understanding the "right to work" concept due to a language barrier.
- We estimated the percentage of those who want to work based on Hestia survey respondents who said they would like to work if they had the right, and those who are looking at the moment. However, the survey relied on self-reporting, and therefore there could be room for human error. It is notable that the estimate is still below the UK activity rate for 16-64 year olds.
- There is no data on the employment rate of people in the NRM without the right to work. We have used asylum seeker employment statistics as proxy, as the asylum seeker group shares some similar characteristics with potential survivors (compared to the national average), and their employment rates are more conservative than the ONS UK-wide employment rate data. However, we understand that, again, there may be discrepancies in outcomes between the two groups of people.
- There is uncertainty about the length of time the average working-age adult waits in NRM. Hestia beneficiaries' median (in 2022) lies in the range of two to three years - for our analysis we have conservatively assumed the median is 24 months. NRM data suggests the median is 15 months. One argument for this discrepancy could be that the NRM data includes both adults and children in this data, and maybe children wait for a shorter time. On the other hand, Hestia have a base in London mainly, and it might be possible their beneficiaries have to wait longer for a conclusive grounds decision. We have accounted for this uncertainty by estimating a range of net economic benefits, with the median from NRM data informing the lower bound and the median from Hestia's beneficiaries determining the upper bound.

- The Work and Health Programme data presents the percentages of service users who have entered employment between 0 and 16 months, 0 and 12 months, and 0 to 24 months after starting the programme. The median length of time it took to get into employment for those starting the programme between December 2020 and May 2021 lies in the 6-12 month bracket. To be conservative in our assumptions, we have taken the uppermost limit of the range in which the median lies, i.e. we have used 12 months as our estimate.
- We have not monetised the costs of implementing the law and have done nothing on the cost of accompanying employment support - while the latter is a recommendation of Hestia, it is outside the scope of this report due to data gaps.
- We do not include the numbers of those who are already eligible for the shortage occupation list jobs in our analysis, as a) we have no data on how many people there are in that position currently, and b) the list changes relatively frequently so that any estimate based on a current list may become redundant.

Given the number of important assumptions used in our analysis, we would consider our final results indicative of the broad scale of benefits from providing all adults in the NRM with the right to work, rather than exact estimates.

Sensitivity Analysis

In-keeping with DWP guidance on economic analysis of supply-side labour market interventions, we carried out sensitivity analysis to see what the outcome could be if we assume that some people lose out on getting jobs if survivors are given the right.

Following DWP guidance on how to account for these substitution effects, we reduce net economic benefits by 20%. Because per person there is already a positive net benefit to society when the right to work is extended, this does not change the main conclusion of our analysis, i.e. that extending this right to all in the NRM has positive net economic benefits to society. Figure A2 summarises the sensitivity analysis results of £8mn-£33mn in estimated net economic benefits to society.

Figure A2. Even if allowing for substitution effects, benefits to society are in the millions

20% reduction applied to scenario	Total benefits to all individuals if right to work extended during their time in NRM	Total benefits to govt if right to work extended during their time in NRM	Total benefits to society if right to work extended during their time in NRM
Low	£6,200,000	£1,600,000	£7,800,000
High	£26,000,000	£6,800,000	£33,000,000

All numbers rounded to three significant figures



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