



House of Commons
Home Affairs Committee

**Asylum
accommodation:
replacing COMPASS:
Government Response
to the Committee's
Thirteenth Report of
Session 2017–19**

**Twelfth Special Report of Session
2017–19**

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Home Affairs Committee

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Twelfth Special Report

On 17 December 2018 the Home Affairs Committee published its Thirteenth Report of Session 2017–19, [Asylum accommodation: replacing COMPASS](#) (HC 1758). The Government's response was received on 26 February 2019 and is appended to this report.

In the Government's Response the Committee's recommendations are shown in **bold** type; the Government's response is shown in plain type.

Government response

The Home Office would like to thank the Committee for its report "Asylum accommodation: replacing COMPASS" published on 17 December 2018.

The Department has made improvements to the asylum accommodation system since, and in the light of the Committee's previous report in January 2017, both in relation to the current COMPASS contracts and in the development of the next generation of contracts.

The Department is now implementing a comprehensive Assurance Plan for asylum accommodation, in part to address the recommendations made by the Independent Chief Inspector of Borders & Immigration (ICIBI) in July 2018. The Assurance Plan contains twenty seven areas in which action is being taken to improve the system within the lifetime of the current contracts. Each of these improvements is also being carried forward into the new contracts. We have further reviewed and refined the Assurance Plan in the light of the Committee's recent report.

The Home Office has listened and since the Committee's report has been taking further steps to enhance its engagement with local authorities. In collaboration with the Local Government Association we have agreed a refreshed approach which we believe will help address the concerns of the Committee and local authorities, creating a more tripartite relationship between the Home Office, local authorities and asylum accommodation providers. The key principles that have been agreed include joint partnership for national oversight of asylum dispersal, a strengthening of the role of local and regional partnerships and a commitment to a steady pathway of redistribution towards a more fair and equitable system. These will be supported by data and information sharing and a review of the costs, pressures and social impact of asylum dispersal in the UK.

Following award of the new asylum accommodation and support contracts, the Department has been working with new providers to establish the structures that will be in place to manage the transition on a regional basis, in partnership with local government and other key stakeholders to support and influence the delivery of transition in each region. In addition, the Home Office will continue to engage with statutory agencies to ensure that they are fully sighted on the new contracts and how they will impact on service delivery on a national and regional basis.

The Government's response sets out in more detail how these and other matters are being taken forward in light of the Committee's conclusions and recommendations.

Engagement and Partnership

Recommendation 1. Two years on from the preparation of our previous report we were disappointed to discover that very little has changed. The key difference we have found, following the Government's failure to implement our previous recommendations, is a deepening mistrust by local authorities of central government. (Paragraph 6)

Recommendation 8. The next few weeks present a vital opportunity for the Government to make the provision of asylum accommodation work better for everyone: first and foremost, for asylum seekers but also for the dispersal authorities, providers, communities housing asylum accommodation and other stakeholders. To succeed the Government must, in the words of the Independent Chief Inspector of Borders and Immigration, start by building each of the parties' confidence that they can "trust the intentions and actions of the other". (Paragraph 36)

The Government recognises the importance of local authorities and the huge contribution they make to the delivery of asylum dispersal. That is why we have funded Strategic Migration Partnerships across the United Kingdom, to bring together local authorities and other stakeholders. The Department is committed to building on the relationship with local authorities, including through the formal, regular meetings that are in place across the United Kingdom. However, it is clear from recent representations from local authorities that the existing structures fall short of meeting their needs.

The Home Office has listened, and since the Committee's report has been taking further steps to enhance its engagement with local authorities. In collaboration with the Local Government Association we have agreed a refreshed approach with new structures and focus which we believe will help address the local authorities' and the Committee's concerns, creating a more tripartite relationship between the Home Office, local authorities and asylum accommodation providers. The new structures will be headed by a Task Group chaired at Ministerial level with the Local Government Association, supported by a regular senior level Home Office and Local Government Chief Executive Group (HOLGCEG). This will provide joint oversight of the new arrangements for the accommodation of dispersed asylum seekers at a national level as part of the new Asylum Accommodation and Support Contracts (AASC), and advice on wider dispersal and asylum issues.

The HOLGCEG will offer a clear and ongoing conduit for discussion at a senior official level between national government and local government, based on jointly agreed principles. It will focus on improved engagement, joint working and clear understanding between central and local government at a national level. This will support a more balanced and effective partnership relationship between councils, the Home Office and AASC providers locally and regionally. It will ensure that the new contracts achieve our joint objectives of better outcomes for asylum seekers and the communities in which they are placed. Some of the key principles we have agreed include:

- commitment to a joint partnership for national oversight of asylum dispersal;
- commitment to data and information sharing on asylum dispersal;

- commitment to a fair and equitable asylum dispersal system in the UK. This will require redistribution across regions, an agreement to operate within the 1:200 cluster limit and an allocation process that is cognisant of local intelligence relating to deprivation and cohesion in particular;
- commitment to strengthen the role of local and regional partnerships in jointly delivering wider dispersal in their regions;
- recognition that redistribution will not be achieved on day one of the new contract but through a commitment to develop a steady pathway with set milestones;
- commitment to review jointly the costs, pressures and social impact of asylum dispersal in the UK.

A preparatory meeting of the Group took place in December and the first formal meeting is planned for this month. The Group will develop and deliver a joint programme of activity which seeks to achieve significant and tangible progress in the following areas:

- engagement and oversight
- data and information
- equity and influence
- funding

We have confidence that the commitment shown by the parties to these arrangements, supported by effective data sharing and our commitment to re-examining issues such as funding and more equitable dispersal, will provide for a new, meaningful partnership which will be able to deliver on our joint objectives.

Dispersal

Recommendation 2. The UK's proud tradition of providing asylum relies on the support and consent of local communities, many of which have a long history of welcoming those in need of sanctuary. We are deeply concerned that the Government's handling of the replacement for the COMPASS contracts has led dispersal authorities to consider, as a last resort, withdrawal from participation in the dispersal scheme. With a significant percentage of asylum seekers located in these regions, withdrawal of these areas would impact heavily upon vulnerable individuals and on the wider operation of the dispersal policy. It is essential that this outcome is avoided by making sure that participating local authorities have a genuine partnership role in the new contracts. (Paragraph 18)

Recommendation 9. The Government must act now to reset its relationship with local authorities on asylum accommodation: it must realise its recent commitment to understand those authorities' concerns better and provide clear evidence of improved funding support for the full range of impacts they are required to address. In return the Government should be able to draw upon these authorities' experience to manage the distribution of asylum seekers more fairly and have their assistance in facilitating and maintaining sufficient accommodation which meets the contractual standards. An improved relationship will require better cooperation between key stakeholders.

If this is not secured soon the relationship will become unsalvageable and some local authorities may withdraw altogether. We reiterate our previous recommendation that the Government should insist on formal, regular meetings between providers, local authorities and the third sector (and devolved governments) to coordinate their activities and address concerns about clustering and community cohesion. Local authorities must have a stronger role in decision making under the new contracts, and a more significant role in oversight of performance of them. (Paragraph 37)

Recommendation 21. The Minister confirmed to us that participation in the dispersal policy for asylum accommodation is voluntary. The Government must therefore accept that it is not unreasonable for authorities who have, in many cases, supported dispersal for the best part of two decades and have carried a disproportionate share of the unfunded costs and pressures, to request more equitable treatment. It has reached the point where local authorities are contemplating withdrawal. While we recognise the benefits of voluntary participation in dispersal, the Government will have to work much harder if it is serious about quickly reducing the pressure on those dispersal areas. The Minister has looked towards the Local Government Association to help persuade other authorities to participate, but ultimately it is the Government which has the power to change the context for these discussions. (Paragraph 89)

The Government is grateful to those local authorities who participate in the asylum dispersal scheme, and has been working hard to broaden participation over recent years, with a further 38 dispersal areas where our providers have successfully procured accommodation and placed customers since 2015.

There are also an additional 21 local authority areas that have agreed to participate but where our providers have not yet procured accommodation, for various reasons, including where we are rightly working in partnership with the local authority on issues such as the location of accommodation, availability of services and infrastructure and to understand local authority housing renewal initiatives prior to dispersing asylum seekers there. There are also some areas where it has been difficult to procure accommodation, either because of the availability of suitable housing or the rural nature of those areas where dispersal would clearly be unsuitable, and we continue to explore opportunities in those areas. Finally, we also have confidence that the new contracts will offer greater stability for landlords and letting agents to sign up with our providers than they do with the expiring contracts.

The Department recognises that some areas have been reluctant to participate in the dispersal of resettled refugees and asylum seekers and some participating areas have found it challenging. It is of course important to recognise the different ways in which many local councils are providing support for refugees and asylum seekers, whether they be adults or children, with the different challenges that each group presents. Whilst all such groups may not be accommodated by the Home Office, they will continue to use local services like schools, health, and social services.

However, the need to build a stronger partnership and move further to a more equitable dispersal model across local authorities has been acknowledged, and the Department has confidence that the refreshed approach to engagement around asylum accommodation which we have agreed will, over time, deliver this. We will embed the principles agreed with local authorities and together review dispersal strategically on a national and

regional basis, working towards a more equitable, place-based approach which considers the contribution that areas make to all of the Home Office schemes in this area. It is our intention that from the start of the new contracts onwards we will achieve a progressive reduction in the proportion of dispersal in the higher-volume areas, with a commensurate increase in those areas that currently have lower or non-existent volumes. However, the HOLGCEG recognises that redistribution will not be achieved on day one of the new contract but through a commitment to develop a steady pathway to a more sustainable long term balance.

The new contracts make it a requirement for accommodation providers to develop close working relationships with local authorities, including consultation on procurement, sharing data to assist with local authority obligations and complying with relevant licensing requirements. This will form the basis of greater collaborative working and data sharing between providers and local authorities and more productive relationships in each region. In addition, formal regional Joint Partnership Boards (JPBs) during transition will provide greater joint oversight of risks and issues. We will also run transition delivery groups which are a subset of the JPB, and the list of attendees for these meetings will include but will not be limited to regional partners including local authority, police and health representatives. This will run in conjunction with new monthly and quarterly business as usual tripartite boards that will continue after transition and span the lifetime of the contracts. These will be decision-making bodies made up of the Home Office, the AASC providers, AIRE provider, incumbent providers and Strategic Migration Partnerships.

Recommendation 24. We are concerned at the suggestion that s100 of the Immigration and Asylum Act 1999, which provides statutory powers to require local authority support, has become ineffective and that there was a lack of clarity from the Government as to whether it could be used. The Government should urgently clarify whether this power remains fit for purpose. (Paragraph 92)

Section 100 of the Immigration and Asylum Act 1999 does not require local authorities to support asylum seekers when asked to do so by the Home Office. It merely provides that where local authorities are asked to assist the Home Office in carrying out duties to support asylum seekers the local authority must co-operate in giving reasonable assistance. This power does not generally need to be used, given that asylum accommodation is generally obtained through private sector providers. It can, however, be used on a case by case basis, for example if an individual requires a particular sort of accommodation and it is thought that the local authority may be able to identify it or provide advice on how to obtain it.

Impacts and Funding

Recommendation 5. While we welcome the Minister's recent acknowledgement of the "huge role" which local government plays in supporting asylum seekers and refugees, we are concerned at how little time there is for the development of an effective strategic partnership with local government before the transition to the new contracts. The Government's words about developing an understanding of the impact of dispersal on authorities, and seeking to mitigate these impacts and authorities' currently unfunded costs, are encouraging but, with only a matter of weeks before the new contracts are signed, there is little evidence that the change in the Government's approach goes beyond words. (Paragraph 33)

Recommendation 22. The Government must urgently reconsider the operation of the dispersal policy and must provide dispersal authorities with dedicated funding to better manage dispersal and the related impact on services. The Government should extend the cluster limit to wards, to be introduced with the new accommodation contracts, to alleviate the most immediate pressures on existing dispersal authorities (with dispersals over and above the cluster limits only allowed with consent from the relevant local authority). (Paragraph 90)

The Home Office recognises that the impacts of dispersal on local authorities are complex and can vary from place to place. We have committed to providing both a new joint governance structure as well as full access to the relevant data and information necessary to support local government. Work is under way to define the scope of this and a pilot in relation to data sharing will begin shortly. In addition to this, we have also agreed a combined local authority/Home Office review into the costs, pressures and social impact of asylum dispersal in the UK, which will look at the end to end system and seek to capture and explain the variance in costs and pressures across the UK.

The Department is keen to ensure that we are using dispersal areas in the most effective way. We have confidence that the new joint structure for engagement will allow us to collectively develop dispersal plans with local authorities on a regional basis. This should enable local authorities to work with us to build cluster arrangements that meet their needs, the needs of our customers and allow the Home Office to discharge its statutory obligations and respond to the volatility of intake. We recognise that local authorities have different approaches to asylum dispersal and need to be cognisant that imposing fixed cluster limits could be problematic for some. We will work flexibly with local authorities to ensure these nuances are reflected in our collective approach to dispersal

Transition to the new contracts

Recommendation 3. Local authority responsibilities for safeguarding, providing education and other public services, licensing HMOs, managing community impacts and preventing destitution mean that they have a very clear interest in the progress of the contracting process, and they also need to be able to plan for the transition. The decision not to share risk management information and contingency plans with them, after the experience of introducing COMPASS, is ill-judged. (Paragraph 26)

Recommendation 4. The Government must recognise that the introduction of these contracts, valued at approximately £4 billion over 10 years, remains a priority. A botched transition would have immediate repercussions for some of the most vulnerable individuals in society and, if it were to result in the withdrawal of authorities from the dispersal system, could present a significant risk to the Government's ability to meet its statutory responsibilities for the asylum system. Staff responsible for managing and supporting the transition to the new contracts should be protected from other demands, including dealing with Brexit pressures. (Paragraph 28)

Recommendation 10. As a first step the Government should consult local authorities on the full details of the proposed contracts before they are finalised. In view of the current timetable for signing the contracts this would need to be done within the next few weeks. If the Government acts with sufficient urgency we believe this can

be done without significant detriment to that timetable. This action would help to build dispersal authorities' confidence in the Government's commitment to develop an equitable, strategic partnership with its local partners. (Paragraph 38)

The Department recognises the interest and huge contribution of participating local authorities. Input to the design of the new contracts was sought from a variety of stakeholders including local authorities and third sector organisations, using multiple channels, including a written exercise, workshops, phone calls, emails and meetings. This engagement covered over 100 events since September 2016.

The contracts are designed to take on board the concerns and views of stakeholders and the wording of the contracts reflects the role of key partners such as local authorities, the NHS, Police and Devolved Administrations. This input led to significant changes in the design of the new contracts, with specific improvements to be brought in by the new contracts including:

- **Improved standards** – we have stipulated more standardisation in the initial accommodation estate. This will ensure there are dedicated areas for women and families and more adapted rooms for those with specific needs, including pregnant women.
- **Improved customer orientation** to help customers live in their communities and access local services. There will be better data sharing with relevant agencies to join people better to these services.
- **Safeguarding and improvements to supporting vulnerable customers** – standardised health checks are being introduced, to identify those with specific physical and mental health needs, and we will provide more uniform training for providers' staff on safeguarding best practice training.
- **Improved advice services.** Alongside the new accommodation and support contracts, we will also be introducing a national contract to provide advice and assist destitute asylum seekers with making support applications. This contract will support customers through the end-to-end asylum support system, coordinating the issues and problems they encounter and ensuring they are referred to the right people so that they can be resolved. The Advice, Issues Resolution and Eligibility (AIRE) contract will also provide a single contact point for customers to register complaints and report problems. It will also build on the close work the Home Office has undertaken with the Department for Work and Pensions to ensure that newly recognised refugees are able to swiftly access benefits and employment support services.
- **Improved engagement with other agencies** – accommodation providers will be required, during the normal course of their operations, to liaise and co-operate with other organisations, including local authorities, third sector organisations, the NHS and the Police, to ensure that the interests of the customers are best served.

The Statements of Requirements (SoR) for the contracts have been shared with strategic migration partners and have also been published.¹ The Department considers the SoR to be the main documents of interest to partners and stakeholders. They provide a detailed description of the requirements providers must adhere to and the relationships they need to build and maintain with partners. They set out the accommodation standards and inventory that providers must supply. They also require that provider staff will be trained to work with vulnerable customers and have clear standards to be followed when housing at risk customers.

The Department has provided stakeholders with regular updates on the new contracts wherever possible, and responded to questions they have asked. However, engagement was necessarily restricted during the procurement to ensure the process was fair and robust. The Department was unable to provide further contractual documents during that phase. Following contract signature on 8 January 2019 the Department published further contractual details in accordance with Regulation 50 of the Public Contracts Regulations 2015.

The new contracts will come into effect in September 2019. The Department is continuing to engage with statutory agencies to ensure that they are fully sighted on the new contracts and how they will impact on local and national service delivery. We already have a dedicated mobilisation and transition team in place. This team consists of a central team, regional accommodation transition leads (covering each of the 7 regions) and a separate AIRE team who are regularly engaging with partners to ensure effective delivery.

The Department has developed a range of contingency plans which are under constant review. These plans would involve the engagement of existing and new providers and those within the supply chain to ensure continuity of service.

Following the award and announcement of the new contract suppliers, the governance structures for mobilisation and transition are being implemented. The regional transition leads are working with the SMPs to put these in place. The transition governance structure includes regional Joint Partnership Boards and Regional Transition Delivery Groups where local authorities and other stakeholders can meet with the Home Office and our providers to support and influence the delivery of transition. These will allow us to work closely together to ensure that we track the delivery of transition and enable stakeholders to understand better the providers' operating models.

Commissioning of accommodation

Recommendation 6. We regret that the issues raised in the Committee's previous report persist, and that the Government has not taken the opportunity to act upon many of our recommendations. We are concerned that the Government did not accept our previous recommendations for changing the commissioning process in time for these contracts, and we continue to believe that wider changes are required. We reiterate our belief that local authorities should be closely involved in developing the replacement to COMPASS. (Paragraph 34)

¹ Available at: <https://beta.parliament.uk/search-h?q=aasc+statement+of+requirement> result 1 and 10 on the page, accessed 19/12/2018

Recommendation 7. We are disappointed that the Government has not taken up our suggestion for the commissioning of asylum accommodation to be devolved to the regional Strategic Migration Partnerships or our recommendation that local authorities should have essentially joint decision-making powers so that their refusal of provider requests for asylum accommodation are only overturned in exceptional circumstances. (Paragraph 35)

Recommendation 23. It is also essential that the evaluation of the tenders for the new contracts recognises the varying cost of accommodation in different areas, and provides for this, so that all those authorities that are willing to participate can help. We expect that these changes would give currently non-participating authorities confidence that their communities will be fully supported to manage dispersal. The new contracts need to provide for real partnership between Government and local authorities in managing the rate of arrivals, and give local authorities the right to object to the procurement of accommodation when it has concerns about the potential impact. (Paragraph 91)

The Government agrees that wider changes are required. We believe that the more tripartite joint governance model and enhancements in the new contracts will provide the best means to achieve a joint commissioning model. This should enable local authorities to work with us to build cluster arrangements that meet the needs of their communities and meet the needs of our customers. The procurement of the new contracts included evaluation of provider's ability to deliver and continually improve services over their lifetime, this includes factors such as prevailing property market conditions and availability of accommodation across the UK.

The Home Office believes that the difficulties have always sat at a strategic rather than an operational level. The Department and its providers already work with local authorities to ensure the impacts of dispersal on local communities and services are taken into account when procuring accommodation. Providers are required to consult the local authority on each and every property procurement and where concerns are raised providers aim to reach agreement with the local authority, in the majority of cases they stop the procurement if agreement cannot be reached. In a small proportion of cases where the provider does not consider objections are well founded, they may escalate the matter to the Home Office. We will then arbitrate and seek to reach agreement, only in exceptional circumstances do we overrule the local authority. This process has been formalised as part of the Assurance Plan developed to address the ICIBI's recommendations, with a Standard Operating Procedure to ensure its consistent implementation.

The new contracts will also assist the commissioning process. Providers are required to liaise and consult with local authorities and must ensure that they share appropriate information to support local authority planning and activities.

Accommodation Standards

Recommendation 11. We are pleased that the Independent Chief Inspector has accepted a role in the oversight of asylum accommodation provision and welcome his scrutiny. (Paragraph 46)

The Government also welcomes the additional oversight the Independent Chief Inspector role brings and has been acting upon the feedback provided by the Chief Inspector.²

Recommendation 12. While we recognise the steps the Government has taken to ensure asylum seekers are better informed and able to escalate problems where there are difficulties with the provider, we are concerned that individuals who are awaiting the outcome of their asylum applications may be reluctant to complain directly to the Home Office, which will determine their future. (Paragraph 56)

Recommendation 17. We are concerned that there continues to be systemic mistrust affecting engagement between the Home Office, the ICIBI and NGOs. In our previous report, we described the fear of asylum seekers that complaining would affect their asylum application or might result in them being moved out of the area. It is not good enough that nothing seems to have changed. Rightly, those who have the confidence of asylum seekers put great emphasis on retaining that confidence. Yet essential improvements to accommodation are proving hard to secure, and providers who are failing in their contractual responsibilities are not being held to account. We are also concerned that, even though the Home Office was made aware of the Inspectorate's concerns that NGOs and asylum seekers did not want to tell the Home Office about problems with their accommodation, the Home Office has not acted to resolve this. (Paragraph 62)

There are several reasons why customers may not report property defects. From the start of the inspection officials were candid with the Inspectorate about their efforts to encourage and reassure NGOs and customers to report defects in order that they can be remedied, and their frustration that this sometimes does not happen.

The Government accepts there is more that can be done to ensure that asylum seekers understand their entitlements and who to contact if these aren't received. That is why we have been developing a core induction pack which will be provided to all customers at the start of the process. The induction pack will also be available online.

This will set out clearly in a language customers can understand the accommodation standards and services to which they are entitled. It will also set out how to raise issues and complaints and will provide reassurance that we expect any deficiencies to be brought to our attention and that this will not impact the customers' application. Alongside this we have reviewed our complaints and incident reporting procedures to ensure they support that expectation. These improvements are being implemented within the existing contracts and will be carried forward into the new contracts.

It has been asserted that one of the reasons why customers may not report defects is a concern that this may count against their asylum application or continued accommodation. However, that concern is misplaced and it is categorically not the case that the reporting of a concern would affect a person's claim for asylum. The Department will make this clear in its induction and briefing material and will work with NGOs to ensure that they continue to routinely reassure asylum seekers that they should report any problems with their accommodation.

2 Available at: <https://www.gov.uk/government/publications/response-to-a-report-on-a-inspection-of-asylum-accommodation> accessed 19/12/2018 accessed 19/12/2018

Acting on stakeholder feedback, we have made further fundamental changes in the new contracts. Issue reporting, complaints and feedback from customers will be made to a single, free to contact, dedicated point of contact operated by the third sector AIRE provider. The AIRE provider will also play an important role in capturing information on the customer experience. This function will ensure that customers and their representatives are able to raise concerns directly with an impartial provider whose principal role is to advise and assist them. As well as allaying any fears this will provide an independent perspective of provider performance and customer experience.

Recommendation 13. The Department stated that property inspection should be a departmental responsibility since this helps it to hold providers to account. Yet, in practice, it is relying heavily upon assurances from the providers that accommodation meets the contractual requirements and where problems are identified, by its inspectors or others, these are not being addressed. This is in spite of overwhelming evidence from NGOs, local authorities and the Independent Chief Inspector of Borders and Immigration that the condition of some accommodation is unacceptably poor. (Paragraph 57)

Recommendation 14. As the contract holder the Department has the power to insist upon better performance by accommodation providers, without waiting passively for asylum seekers or NGOs to draw their attention to concerns. (Paragraph 57)

Recommendation 15. We are hugely disappointed that the Government has not taken up the Committee's recommendations on improving the standards of accommodation. The Department has a duty of care and must show a greater urgency about the degrading conditions in which very vulnerable people are being housed under its contracts, including torture survivors, individuals suffering PTSD, pregnant women and mothers with small children. As we previously recommended in 2017, property standards should be aligned with local authority housing standards and providers' key performance indicators should be appropriately adjusted. The Government should transfer the inspection duties currently carried out by the Home Office to local authorities, including the ability to impose sanctions, along with the necessary resources to carry out this function effectively. This funded transfer should take effect from the point at which the transition to the new contracts is complete. (Paragraph 58)

The Home Office expects the highest standards from our contractors, which are monitored closely to ensure they meet those standards. It is not the case that the Department simply relies upon their assurances in this regard. Neither does the Department wait passively for asylum seekers or NGOs to raise concerns, although we routinely encourage them to do so.

Defects do occur from time to time in all types of property, and our contractual regime to remedy them and to maintain property standards is extremely pro-active. Accommodation providers are required to inspect each and every property at least monthly to identify any defects, and to rectify those within tight contractual timescales. Any failures to do so are scrutinised as part of the monthly contract management process financial penalties are levied where appropriate. Our Contract Compliance Team provides an audit function to ensure this is operating effectively, as well as inspecting a proportion of properties directly.

The Department does not accept that asylum seekers are being housed in degrading conditions. As set out in the Immigration Minister's letter of 9 January to the Chair of the Committee and by way of example the property highlighted in the ICIBI's report whose condition was considered unacceptable has been inspected every month by the provider and all defects rectified in accordance with the contract. This was confirmed in a Home Office inspection in November. In addition the property in question has also been inspected and licensed by the local authority, which confirmed that it was fully compliant with relevant regulations and the local authority's standards.

The Department believes it is important to retain its own inspection and compliance regime in order to enforce standards in the contracts for which it is responsible. We are not convinced that passing this responsibility to local authorities would improve standards. This is also an area in which the ICIBI's report said we needed to achieve more consistency nationally. That had been recognised from the Committee's previous report, hence the Department had in late 2017 brought those activities into a single national command from the previous regionally based model. That work was at an early stage during the inspection and is being progressed as part of our Assurance Plan. This will result in a fully balanced and consistent set of audit and inspection activities being applied nationally within the lifetime of the existing contracts, and these improvements will be carried forward into the new contracts.

As well as the specific standards set out in the contracts, providers are required to comply with local authority licensing and regulation regimes, and the Department does undertake joint inspections and other forms of co-operation with the local authorities where beneficial as do the accommodation providers. However, whilst historically the overlap between our regimes was comparatively small nationally (with only larger HMOs being captured by mandatory licensing) the extension of mandatory licensing in October 2018³ and increased use of additional and selective licensing schemes have significantly strengthened the case for further joint working. As part of our Assurance Plan we are piloting more routine data sharing and interoperability around property inspections with three local authorities, with a view to implementing the positive outcomes of those pilots more broadly.

We believe that the accommodation standards set out in the current contracts are broadly equivalent to or in excess of standards used in other forms of social and rented housing. As part of developing the requirements for the new contracts we consulted the local authority property inspection experts, through their professional body the Chartered Institute of Environmental Health, amending the requirements to align the new contracts with local authority standards. The new contracts also introduce further requirements for providers to put in place pro-active maintenance schedules for each property which should reduce the incidence of defects.

Recommendation 16. The recent steps taken by the Government to make it easier for officials to assess the main contractors' performance in providing and maintaining accommodation are helpful developments which should support the Government in holding future providers to account, and we welcome them. (Paragraph 60)

The Department welcomes the Committee's appreciation on this point and is confident these changes will result in service improvements for our customers.

3 By the Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018

Recommendation 18. The further concern we have is that, while we accept that the Government had asked the Independent Chief Inspector for information about accommodation highlighted in his report, and had been refused, it appears that it had not tried any other avenues to identify this accommodation at any point between 9 July and 19 November, in order to get urgent repairs made for which it was ultimately responsible. (Paragraph 63)

The ICIBI inspection process and report ensured that the Department could not identify the highlighted properties from the information made available to us. Nevertheless the regular property inspection process ensured that since the ICIBI visit the property had been inspected every month and all defects rectified in accordance with the contract. We were able to verify this from the details subsequently provided by the Committee, and as set out in the Immigration Minister's letter of 9th January we have confidence that this demonstrated the system working effectively.

Recommendation 19. Changing this culture and building stakeholders' confidence in their ability to report concerns without detriment, represents a significant challenge for the Government and for its future delivery partners. The failure of the Home Office to properly follow-up issues raised by the Independent Chief Inspector is evidence of a deeper problem. (Paragraph 64)

The Department has taken the issues raised by the ICIBI extremely seriously. As recommended we produced a consolidated Assurance Action Plan by 1st October 2018. In doing so we also revisited the findings of previous reports and undertook further work to test and validate other potential areas for improvement. Whilst the report makes nine recommendations, our consolidated Assurance Action Plan captures objectives and actions in 27 areas where we are making improvements for our customers.

We have also been consulting stakeholders on the Assurance Plan and developing it further based on their feedback. Feedback to date has provided considerable assurance that stakeholders are supportive of the plan, that they believe it is focused on the right things, and that the actions in the plan will effectively deliver the objectives. We are continuing to refine and iterate the plan in consultation with stakeholders.

The Assurance Action Plan will ensure that improvements are effected across the current operation and ready to be carried through to the next generation accommodation contracts.

Recommendation 20. The Government should commission an independent review of the experience of asylum seekers in asylum accommodation, and of their treatment by providers and the Home Office, as the Authority. This review should report by March 2020. (Paragraph 64)

The Government agrees that effective capture and analysis of customer insight is beneficial. This was also highlighted by stakeholders in our consultation on the Assurance Plan and has been added to the plan. We are currently arranging resources to develop and commission this initiative, which will be complete by March 2020.

The new contracts will introduce additional requirements for the AIRE provider to capture and analyse customer feedback, which will inform our future approach to understanding the experience of our customers and shaping and improving future provision.