



House of Commons  
Public Accounts Committee

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# Asylum accommodation and support transformation programme

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**Twenty-Fifth Report of  
Session 2019–21**

*Report, together with formal minutes relating  
to the report*

*Ordered by the House of Commons  
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## Summary

People seeking asylum must be supported and housed appropriately while their cases are being processed. The Home Office is responsible for the delivery of this housing and support service. In 2016 our predecessor Committee raised concerns about the management of COMPASS, the previous contracts. In late 2019 the Home Office introduced new contracts to provide accommodation and a new helpline and support service, AIRE. These new contracts are in their early stages but there is still a long way to go before services for asylum seekers deliver all that was promised by the Home Office. The Department let the new contracts and transferred services on time, but its lack of preparation and failure to share data meant elements of the new services were set up to fail. The failure to have effective services fully up and running in the first year has had a significant impact on the lives of asylum seekers. The Department is unacceptably vague about its plans to improve services, and lacks an effective line of sight into how services are delivered locally.

The Department's widespread use of hotels through the COVID-19 pandemic was done at speed for obvious reasons. But the pace at which the Home Office needed to work did not excuse the lack of discussion with local authorities and local NHS bodies about how to manage this resettlement in their areas. MPs across the UK have raised concerns about this lack of local discussion with the Committee. Too often it meant that some vulnerable people, including families with children, have been living in accommodation that did not meet their needs for far too long—and risks masking an underlying problem in ensuring adequate accommodation for people when they first apply. The Department is paying an estimated 28% more to providers than COMPASS, and now needs to assure itself and demonstrate it is getting value for both the taxpayer and those who rely on its services.

## Introduction

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The Home Office (the Department) provides accommodation and support for asylum seekers and their families who would otherwise be destitute while their cases are processed. From 2012 to September 2019, the Department provided these services through six regional contracts, known as COMPASS. In 2019, following a two-year extension to the original contracts, the Department replaced COMPASS with seven similar regional contracts for accommodation and transport, plus a UK-wide contract for a new helpline and support service, known as AIRE—Advice, Issue Reporting and Eligibility. The Department provided services to 48,000 people in accommodation at the time the contracts transferred. The new contracts have a total estimated value of £4.0 billion over 10 years, from 2019 to 2029.

A sharp increase in the number of people entering the asylum support system from July 2019 meant that from October 2019 more than 1,000 people each night were placed in hotels rather than dedicated housing for asylum seekers. The AIRE service could not cope with demand in its initial months, with four-fifths of callers unable to get through on the phone. The COVID-19 pandemic has also resulted in additional demand pressures on the service.

## Conclusions and recommendations

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1. **It is unacceptable that the Department has failed to engage adequately with local stakeholders.** The Department and its providers have repeatedly failed to properly consult and communicate with local authorities and NHS providers, and local MPs on the use of hotels in their areas. We are concerned to hear that the Department moved service users that had contracted COVID-19 to a hotel in another local authority at the last minute and without notifying either the relevant local authority or the relevant NHS bodies affected. We are similarly concerned to hear that in another local authority, the provider had told the local authority but had not informed the local health commissioner that 160 asylum seekers were moving to a local hotel and would need medical services. Where plans are shared, this is not done so with enough time to allow health and well-being services to put the necessary support services in place. It is essential that the Department contacts local care commissioning groups or equivalent before relocating asylum seekers in their areas so that their medical needs can be properly catered for. The Department accepts it needs to improve how it works with local partners, but despite its claims to have redoubled efforts since we last discussed this issue in June 2020, MPs' and local authorities' concerns have continued.

**Recommendation:** *The Department should, as a matter of urgency, communicate with NHS bodies, MPs and other key stakeholders such as police, setting out how it will consult and engage with them in future. The Department should write to the Committee within three months to confirm its approach.*

2. **We are very concerned that thousands of people continue to be placed in hotels rather than more appropriate accommodation.** Due to the COVID-19 pandemic, ministers decided to continue support for asylum seekers after their asylum claim had been resolved. As a result, since March 2020 many more people have entered the asylum support system than have left it. The Department has increasingly used hotels as contingency accommodation for asylum seekers. Approximately 9,500 asylum seekers are currently accommodated in 91 hotels across the UK. However, hotel use was high even before the COVID-19 pandemic, with more than 1,000 people in hotels each night since October 2019. Some asylum seekers have been in hotels for far longer than 35 days, the point at which the Department expects providers to have moved people into more permanent accommodation. Hotels usually lack facilities for children and are not suitable for families to share for extended periods. While in hotels, asylum seekers cannot register with a GP or enrol their children into school, so extended stays are potentially damaging to all asylum seekers and particularly to children. On 1 October 2020, 428 school-age children had been in hotels for more than 35 days. The Department asserts that it prioritises getting families with children, and other vulnerable service users, out of hotels quickly, and is producing further instructions to providers on how to prioritise getting people out of hotels appropriately.

**Recommendation:** *The Department should, within three months, set out a clear plan for how it will quickly and safely reduce the use of hotels and ensure that asylum seekers' accommodation meets their individual needs.*

3. **The Department's failure to prepare effectively for the new service means that it has yet to deliver what was promised.** The model of regional accommodation contracts is similar to what existed under COMPASS, although the Department intended the new service to improve asylum seekers' experience and make it more sustainable. Although the previous COMPASS contract was due to expire in 2017, the Department only started planning for the new contracts in 2016, meaning it did not have enough time to consider all its options before the old contracts expired. The Department extended the COMPASS contracts by two years, to September 2019. The Department's plan to redistribute asylum seekers more evenly across the UK was similarly agreed too late to be reflected in the new contracts. Demand for the new national helpline AIRE has far exceeded the Department's expectations. After an initial spike in demand in the first few months of the contract, demand has stabilised at between 35,000 and 40,000 calls per month, twice the Department's forecast. The Department lacked the data it needed on calls to COMPASS providers, and failed to accurately forecast the level of unmet demand under the COMPASS service. The successful bid for the AIRE contract was costed on the basis of an average call duration of four minutes. The Department had estimated that calls would require between 12 and 17 minutes, but they still awarded the contract on the basis of the bidder's assumptions. As a result, between September 2019 and January 2020 the AIRE provider answered only one-fifth of the calls it received.

**Recommendation:** *The Department should, within six months, review how long it would need to redesign the service for the next set of contracts and set a timetable to give itself enough time to prepare effectively and consider alternative models.*

4. **Despite paying more for the new service than for COMPASS, the Department has not yet demonstrated that it is getting value for money in return.** The Department asserts that COMPASS was under-priced and that its modelling indicated that the new services should cost between 20% and 31% more. Only three of the seven geographically based contracts initially attracted more than one bid, and three contracts were awarded to the sole bidder. Two of the contracts initially attracted no bids at all. In total only four companies submitted bids and the Department became a customer in a seller's market. The Department is paying an estimated 28% more to providers, but with more bids it may have been able to secure better prices. Two of the three COMPASS providers continued to provide services under the new contracts, even though one of these had paid millions of pounds in service credits for performance failings. In return for paying more, the Department expects a better quality service and better support for vulnerable people. To be able to provide this better service, providers need to share data with each other, and with the Department. However, this has been hindered by an inability to share information automatically; instead relying on exchanging information by email and telephone, which is inefficient and more prone to errors. The Department is working to improve the automated sharing of data. Providers expect to make profits of between 5% and 13%, which the Department deemed reasonable when compared to other outsourcing contracts. The Department intended, from the early months of the contract, to use open book accounting to assess the providers' profits, but this is not yet in place, meaning it cannot know whether it is paying a fair price for the services and therefore it cannot provide evidence to show contractors are not making more profit than is reasonable. The Department is overclaiming success

and justifying a higher fee on the basis of an improvement in the quality of service which it could not evidence. This is not acceptable.

**Recommendation:** *The Department should, within six months, explain to the Committee how it is strengthening its contract management approach to ensure that it is getting value from the increased costs.*

*The Department should not claim improvement without evidence and should write to the Committee within six weeks to provide an update on what the data is showing in terms of service improvement. The Department should thereafter provide the Committee with regular updates on this matter.*

5. **The Department’s lack of transparency on the service’s performance is hindering the kind of engagement with stakeholders that it claims to want.** The Department has committed to learning lessons from the Windrush scandal, including listening to the people most affected by the Department’s policies and operations and consulting with a wide range of people and organisations. Yet stakeholders who represent asylum seekers still need more information on the contracts’ performance to help them better support people. For example, stakeholders need greater transparency over service standards and performance management to give them confidence that the Department has effective mechanisms in place to hold suppliers to account for the services they provide. Cabinet Office guidance on public contracts states that departments should publish data on contract performance. A year into these new contracts, the Department has not yet published any performance data, although it plans to publish some performance information from October 2020.<sup>1</sup>

**Recommendation:** *The Department should immediately meet its commitment to communicate with stakeholders by publishing data for all key performance indicators, and should also identify what other information, if published, would provide stakeholders with a full picture of the service.*

6. **The Department has failed to ensure the safety and security of some of the vulnerable people who use asylum accommodation and support services.** We are concerned that the Department focuses on processes, such as awarding contracts on time, at the detriment of the needs and experiences of asylum seekers. While the Department is aware that far-right organisations have been protesting outside some hotels, it does not track these incidents or engage the police on a national level. There have been 29 asylum seekers in hotels with positive tests for COVID-19. There were also 47 people with positive tests in the Stone Road initial accommodation hostel in Birmingham, who were moved to accommodation and hotels in other locations. The Department’s accommodation contract with providers does not have a key performance indicator for safeguarding asylum seekers and the Department still developing a framework for monitoring and assuring itself that providers meet their contractual requirements on safeguarding. The Department has committed to working with its partners, such as local authorities, to ensure they understand this framework.

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1 The Home Office has now published key KPI data for these contracts, available at <https://www.gov.uk/government/publications/key-performance-indicators-kpis-for-governments-most-important-contracts#history> – see the spreadsheet ‘Data for April to June 2020’, select HO contracts and lines 172–179 show the AASC and AIRE KPI data.

**Recommendation:** *The Department should, within three months, publish its safeguarding assurance framework, specifying:*

- *when it will be implemented and how it will operate;*
- *how it will focus on the experience of service users; and*
- *how partners will feed in their concerns and experiences.*

# 1 The Department's oversight

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Home Office (the Department) about asylum accommodation and support services in the UK.<sup>2</sup>

2. The Department provides accommodation and support for asylum seekers and their families while their cases are processed. The Department has an obligation under the Immigration and Asylum Act 1999 to provide accommodation and support to asylum seekers who would otherwise be destitute.<sup>3</sup> The Department typically places eligible asylum seekers in 'initial accommodation' while they apply for financial assistance, and then moves them to more permanent dispersed accommodation once the Department has assessed and confirmed their eligibility for support. From 2012 to September 2019 the Department provided these accommodation services through six regional contracts, known as COMPASS.<sup>4</sup> In 2014, our predecessor Committee raised concerns about how the Department was managing COMPASS, including failing to work effectively with its providers or share necessary information. We concluded that the transition to the new contracts had been poorly managed and the quality of data shared by the Department had been poor. This had resulted in delays to providing suitable accommodation, additional costs and accommodation not being up to standard.<sup>5</sup>

3. In 2019 the Department replaced COMPASS with seven regional contracts, following a two-year extension to the original contracts. The Department awarded the contracts for the new service to three providers—Clearsprings Ready Homes (Clearsprings), Mears Group (Mears) and Serco—who each took on two or three UK regions. The Department also established a new helpline and support service, known as AIRE—Advice, Issue Reporting and Eligibility, awarding the contract to Migrant Help. At the time the new contracts began in September 2019, the Department provided services to approximately 48,000 people. The new contracts have a total estimated value of £4.0 billion over 10 years, from 2019 to 2029.<sup>6</sup>

## Preparing for the new services

4. The Department replaced COMPASS with seven similar regional contracts, with some changes intended to improve asylum seekers' experience and make the service more sustainable. The Department started the process of redesigning the contracts in 2016. The Department told us that this felt like a reasonable time to have started looking seriously at different options, but accepted that in hindsight it could have started earlier.<sup>7</sup> When evaluating the design and procurement stage, the Department concluded that it had not allowed enough time to consider more radical options, such as building new houses or allowing asylum seekers access to mainstream benefits.<sup>8</sup> The new accommodation contracts have a break clause after seven years, while the AIRE contract has breaks after four and seven years. The Department told us that it would need five years to give it

2 C&AG's Report, *Asylum accommodation and support*, Session 201921, HC 375, 3 July 2020

3 C&AG's Report, para 1.2

4 C&AG's Report, para 1–3

5 Committee of Public Accounts, *COMPASS: Provision of Asylum Accommodation*, 54th Report of Session 2013–14, HC 1000, 24 April 2014

6 C&AG's Report, paras 1–3, 6, 10, 1.4–1.5

7 Q 116; C&AG's Report paras 3, 6, Figure 4 and para 2.7

8 C&AG's Report, para 2.2

adequate time to radically change the service next time, and so if it wanted to do this after seven years of these contracts it would need to set up a project within the next 12 months.<sup>9</sup>

5. The new accommodation contracts include caps on the number of people housed in each geographical area, which the Department included to protect providers from sharp cost increases. If it needed to accommodate more people than the limits set by these caps, the Department would need to renegotiate contract terms with providers and likely pay higher prices. The Department explained that it set the caps according to the regional distribution of asylum seekers in 2018. After it had awarded new contracts, the Department agreed with local authorities in July 2019 a plan to redistribute asylum seekers more equitably across the UK. The Department told us that this redistribution was expected to take place gradually over several years. The redistribution plan agreed with Local Authorities was incompatible with the cap on numbers in the South region contract and is likely to mean that the number of asylum seekers to be housed in the South region will be greater than the contractual cap for that region. The Department explained that, if that happened, it would need to renegotiate a higher cap in that region. The Department accepted that its plan to redistribute asylum seekers could cost it more money.<sup>10</sup>

6. The new national AIRE service brought together different elements of advice and issue reporting previously provided by Migrant Help and accommodation providers separately. Under COMPASS, asylum seekers reported issues with their accommodation directly to their accommodation provider, either to their housing officer or via a call centre. The Department said that its forecasting for this issue reporting element of the helpline was inaccurate, as it was not able to extract full historical data on the numbers of issues reported, nor did it accurately forecast the level of unmet demand under the COMPASS service. The Department told us that the helpline received four times as many calls in the early months than it had predicted. It explained that, since this initial bulge, demand had stabilised at between 35,000 and 40,000 calls per month, but accepted that this was still twice the Department's forecast.<sup>11</sup>

7. As well as call volumes, we asked whether the AIRE service had underestimated the length of each call. The Department had historical data that suggested calls would take between 12 and 17 minutes. In contrast, Migrant Help based its bid for the AIRE service on an average call length of four minutes, and the Department accepted the bid on this basis.<sup>12</sup> As a result, the AIRE helpline did not have the capacity to deal with the number of calls it received, answering only one-fifth of the calls it received between September 2019 and January 2020.<sup>13</sup> We received written evidence from Asylum Matters, which told us that many asylum seekers and their caseworkers had lost confidence in AIRE and simply stopped calling.<sup>14</sup> The Department explained that as the AIRE provider accumulated more data from issue reporting, its call speed has got quicker.<sup>15</sup> In its written evidence to us, Migrant Help also told us that it had carried out a large recruitment and training programme.<sup>16</sup> The Department explained that the performance of the AIRE service had since improved, and it was now regularly meeting 11 of its 12 key performance indicators.

9 Q 117

10 Qq 126–128; C&AG's Report paras 17, 4.11

11 Qq 71, 86–87

12 Qq 92, 94–95; C&AG's Report, para 2.13

13 Q 71; C&AG's Report, para 12

14 ASY0006 - Asylum Matters

15 Q 92

16 ASY0001 - Migrant Help

The Department said that in July 2020, the AIRE service answered 95% of calls within 60 seconds, against a target of 90%.<sup>17</sup>

### The cost of the new service

8. The Department told us that it knew at the start of the transformation programme in 2016 that COMPASS was under-priced. It explained that it carried out a ‘should cost’ model to establish a reasonable range of costs, which indicated that the new services should cost between 20% and 31% more.<sup>18</sup> The Department is paying an estimated 28% more to providers, but the NAO found that with more bids it may have been able to secure better prices. The Department awarded three out of seven regions to the sole bidder and had to restart the competition in two regions as there were no initial bids. In total, the Department received bids from only four companies.<sup>19</sup> We asked whether this lack of competition left the Department a customer in a seller’s market. The Department asserted that there had been competition within some regions and that this enabled it to see that there was market pressure. It explained that it had benchmarked across different regions, including those where there had been less competition, to ensure that the prices it was paying were comparable across the country. Overall, it considered retaining the incumbent providers and attracting a new provider was a good outcome from the procurement.<sup>20</sup> However, one of those incumbent providers, Serco, paid £7 million in service credits for not meeting performance standards under COMPASS. We asked why, when their performance had been below standard, they were still able to participate in the new contracts. We were concerned that this suggested that existing providers already had performance challenges.<sup>21</sup>

9. The Department recognised that it had paid more for the new contracts, but told us that as a result it was getting a better quality service, with better support for vulnerable people. We saw little evidence of this and the Department<sup>22</sup> accepted that its ability to determine whether this was the case had been affected by the ability of contractors to share data about the services that were being delivered. The Department was overclaiming success and justifying a higher fee on the basis of an improvement in the quality of service which it could not evidence.

10. The Department expected providers to be able to share data as part of the new contracts, to make sure they are providing the service expected for asylum seekers. The contracts required an automated link for issue reporting between the AIRE provider and the accommodation providers.<sup>23</sup> However, the NAO found that this had not been in place and instead providers had to rely on workarounds such as reporting issues by email, which were inefficient and more prone to errors. The NAO concluded that this lack of integration meant providers could not provide an efficient service for asylum seekers.<sup>24</sup> The Department accepted that automated links had not always been available early on in the contracts, but told us that information was still being shared and that it had agreed a workaround with providers. It said that it was still its firm intention to ensure that information was shared in an automated way and that work was underway to improve the

17 Q 72

18 Q 97

19 C&AG’s Report, paras 8, 2.4

20 Qq 96–97

21 Qq 119–122

22 Qq 99, 116

23 Qq 104–105

24 Qq 105–106; C&AG’s Report, paras 13, 3.6

automated sharing of data.<sup>25</sup>

11. The Department estimated that the accommodation providers could make profits of between 5% and 13%. We were concerned that this was about twice as large as would normally be expected by outsourcing companies and asked the Department whether it considered this level of profit excessive, given the level of risk taken on by providers. The Department said that it benchmarked these expected profits against information held by the Cabinet Office and Crown Commercial Service on similar contracts, and concluded they were reasonable. It asserted that this “was explored thoroughly, tested and assured by others in Government with an understanding of a much wider range of contracts with similar risk profiles”.<sup>26</sup> As part of the new contracts, the Department intended to use ‘open book’ accounting to assess providers’ profits from the early months of the contracts.<sup>27</sup> The Department told us that it would carry out this open book exercise annually, and would begin working with providers in the coming months to review their data as they were now a year into the contracts. The Department explained that the contract requires the providers to share with the Department any profits made above that declared in their bids.<sup>28</sup>

## Transparency of performance

12. We examined the Windrush scandal in March 2019 and found that the Department lacked understanding of the needs of applicants for compensation, did not monitor the impact of its ‘compliant environment’ policy on vulnerable members of society and had not done enough to identify people that might have been affected. We recommended that the Department must set out how it intended to incorporate information collected from people affected by the compliant environment system, not just those administering it.<sup>29</sup> The Department committed to ensuring the lessons learned from the Windrush scandal are applied across the whole of the Department. This included listening to the people most affected by the Department’s policies and operations and consulting with a wide range of people and organisations.<sup>30</sup>

13. We received written evidence from stakeholders representing asylum seekers who told us that they needed information on the contracts’ performance to help them better support people. The Refugee Council told us that they needed greater transparency over service standards and performance management to give them confidence that the Department had effective mechanisms in place.<sup>31</sup> Asylum Matters told us that the Department does not share information with local stakeholders such as regional Strategic Migration Partnerships, making meaningful scrutiny of the contracts impossible.<sup>32</sup> We asked why the Department was not publishing data to meet the Cabinet Office’s ‘outsourcing playbook’, which states that departments should publish key performance information for any significant outsourced contract. The Department said that it would be publishing information in line with this guidance later in October.<sup>33</sup>

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25 Qq 104–106

26 Qq 98–99

27 C&AG’s Report, para 2.9

28 Qq 100–101

29 Committee of Public Accounts. *Windrush generation and the Home Office*, HC 1518, 6 March 2019

30 Q 115

31 ASY0003 - British Refugee Council

32 ASY0006 - Asylum Matters

33 Q 107

## 2 Asylum seekers' experiences

### The use of hotels

14. The accommodation contracts allow providers to use hotels as contingency accommodation to meet excess demand. Throughout 2017 and 2018, fewer than 100 people had stayed in hotels each night. But since October 2019, this number has increased to more than 1,000 each night.<sup>34</sup> At the start of the COVID-19 lockdown in March 2020, ministers decided to continue support for asylum seekers after their asylum claim had been resolved to prevent them from becoming homeless. The Department explained that as a result, since March 2020 many more people had entered the asylum support system than had left and providers had placed the additional people in hotels. It further explained that the need to have social distancing within asylum accommodation also meant that there was space for fewer people within its normal accommodation. The Department told us that there were approximately 9,500 asylum seekers located in 91 hotels, the majority of whom were still having their claims considered.<sup>35</sup> The Department said it was keen to end the use of hotels as soon as possible but did not have a target date for doing so.<sup>36</sup>

15. The Department explained that its aim was for as few service users as possible to be accommodated in hotels and that those who do spend as little time as possible in hotels once they are there.<sup>37</sup> The Department expected providers to move people with straightforward needs into dispersed accommodation within 35 days of their arrival.<sup>38</sup> In its letter to us after our evidence session, the Department told us that on 1 October 2020, 428 school-age children had been in hotels for longer than 35 days.<sup>39</sup> The NAO found that the Department penalises providers for each accommodation request and move every month that exceeds agreed timescales, rather than each day, and so providers may not be incentivised to move people out of hotels or initial accommodation once they had been there for longer than 35 days.<sup>40</sup> We asked the Department why it had allowed this to be the case. The Department said that providers need to consider the vulnerabilities and support needs of individuals, meaning that it was not always appropriate to prioritise those asylum seekers that have been in hotels the longest.<sup>41</sup>

16. Hotel accommodation usually lacks facilities for children and suitable accommodation for families to share for extended periods.<sup>42</sup> We received written evidence from the Refugee Council, which told us that while in hotels or initial accommodation, asylum seekers cannot register with a GP or enrol their children into school.<sup>43</sup> We received written evidence regarding the health and well-being themes for initial accommodation residents in Birmingham, which described the importance of addressing the health needs of asylum seekers, who may, for example, be suffering the effects from torture, malnourishment or social isolation.<sup>44</sup> However, the NAO found that support organisations and local health

34 Q 26; C&AG's report, paras 15, 3.17

35 Qq 17, 24–28, 31

36 Q 111

37 Q 57

38 C&AG's report, para 3.15

39 Correspondence from Matthew Rycroft, Permanent Secretary, Home Office, Re: Home Office Asylum Accommodation and Support, dated 15 October 2020

40 C&AG's report, para 3.16

41 Q 59

42 C&AG's report, para 3.18

43 Q 60; C&AG's report, para 3.18; ASY0003 - British Refugee Council

44 ASY0011 - Health and well-being themes for Initial Accommodation residents in Birmingham

providers have struggled to provide services to asylum seekers in hotels.<sup>45</sup> We asked whether the Department had considered prioritising families with children in determining who should be a priority for moving out of hotels. The Department said that it prioritised getting families with children and other vulnerable service users out of hotels quickly. It said that it was producing further instructions to providers—via a ‘tasking note’—on how to prioritise getting people out of hotels appropriately and ensure consistency in the criteria that providers were using.<sup>46</sup>

## Engaging local stakeholders

17. The Department told us that it currently accommodated asylum seekers in hotels in approximately 50 local authorities. It noted that whenever it arranges for a hotel to be used for asylum accommodation, it instructs its relevant teams to contact the local authority and MP affected. We were therefore concerned to hear of instances where colleagues had not been informed that asylum seekers were being accommodated in hotels in their constituencies. Instead, they had found out through Twitter or the local press.<sup>47</sup> In its written evidence, the British Refugee Council asserted that while the accommodation contracts require providers to engage the relevant local authority and police force when procuring new properties to house asylum seekers, there was no similar requirement when providers used hotels as contingency accommodation.<sup>48</sup>

18. The Department told us that sourcing hotels in the COVID-19 pandemic had been an extremely challenging and fast-moving situation. It recognised that there had been some issues with engaging local authorities and explained that it had redoubled its efforts since we last discussed this issue in July 2020.<sup>49</sup> However, since then we have been contacted by a number of Members of Parliament who reported that neither they nor their local authorities had been informed of hotel use in their area.<sup>50</sup> Barnsley Metropolitan Borough Council also wrote to us to describe how the accommodation provider had failed to communicate with local authorities, such as when moving asylum seekers to new accommodation, or to share its plan for dealing with COVID-19 outbreaks.<sup>51</sup>

19. We asked the Department about specific examples where there had been issues with its engagement with local stakeholders. At the end of August 2020, the Department moved asylum seekers, 47 of whom had tested positive for COVID-19, from the Stone Road initial accommodation in Birmingham that was closing to hotels in other areas, including in Hammersmith.<sup>52</sup> Hammersmith and Fulham Council would be responsible for the public health of the service users that moved there, but we were concerned by reports in the press that the Department and its provider did not engage with the local authority before asylum seekers were relocated. The Department told us that the movement of asylum seekers was discussed in depth at incident management team meetings, through which providers should work closely with the Department, Public Health England and relevant local authorities. It explained that the use of a hotel in Hammersmith was a last-minute

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45 C&AG’s report, para 3.18

46 Qq 59–60, 83

47 Qq 23, 42–43

48 ASY0003 - British Refugee Council

49 Qq 41, 43–44; Committee of Public Accounts, Oral evidence: Immigration Enforcement, HC 407, 13 July 2020

50 Q 41

51 ASY0008 - Barnsley Metropolitan Borough Council

52 Qq 51–53; Correspondence from Matthew Rycroft, Permanent Secretary, Home Office, Re: Home Office Asylum Accommodation and Support, dated 15 October 2020

solution after another in Birmingham had fallen through. The Department asserted that it engaged with Hammersmith and Fulham Council as soon as it could but that the type of engagement would have “depended on the circumstances in the moment”.<sup>53</sup>

20. We received written evidence regarding the health and well-being themes for initial accommodation residents in Birmingham, which told us that the Department’s plans to commission additional contingency hotel sites to accommodate asylum seekers were not shared in a reasonable timeframe. It also told us that the plans were not subject to any form of consultation, making the joint planning of health and well-being services incredibly challenging for the agencies involved.<sup>54</sup> We asked about the situation in Brent, where we heard that the provider gave a week’s notice to the local authority for using a hotel for 160 asylum seekers, but did not notify the local health commissioner, nor inform it of the asylum seekers’ specific health needs. We asked whether the Department would commit to contacting local care commissioning groups and local GPs before moving asylum seekers into their areas so that their medical needs can be properly catered for. The Department accepted that it needed to improve how it works with local partners.<sup>55</sup> It said it had recently set up a group to work with local authority chief executives to take a strategic approach to redistributing asylum seekers, as well as improving engagement with local communities and local authorities.<sup>56</sup>

## Safety and security of asylum seekers

21. The Department stressed that it awarded its contracts for the new services on time and on budget, and the National Audit Office found that it had laid the foundations for a better service. The NAO also found that the transition to the new services was relatively smooth, with only 5% of asylum seekers having to relocate, compared to 10% when contracts transitioned to COMPASS in 2012.<sup>57</sup> However, a number of stakeholders wrote to us to describe how the Department and its providers do not adequately focus on the needs and circumstances of vulnerable people. For example, the British Refugee Council described how asylum seekers were dispersed to areas that have few or no legal aid providers locally, resulting in delays in accessing legal advice.<sup>58</sup> Doctors of the World described how the provision of healthcare within initial accommodation was insufficient to meet the needs of asylum seekers, who often cannot access mental health support or counselling services.<sup>59</sup>

22. We asked the Department how it ensured the safety and security of asylum seekers who are housed in hotels, particularly given the public interest that this can attract. The Department said that it worked with its providers when they raised concerns relating to the security of service users, and engaged with them on how they are responding. The Department told us that it was aware that there had been protests from far-right organisations at some hotels housing asylum seekers, but it was not tracking the number of incidents.<sup>60</sup> We received written evidence from Hull City Council, which told us that managing the risks of asylum seekers in hotels, including from far-right protests and

53 Qq 51–54

54 ASY0011 - Health and well-being themes for Initial Accommodation residents in Birmingham

55 Q 79

56 Q 128

57 Q 70; C&AG’s Report, paras 10, 19

58 ASY0003 - British Refugee Council

59 ASY0002 - Doctors of the World

60 Qq 63–65, 67

COVID-19, placed additional pressures on local partners at a time when they are already overstretched.<sup>61</sup> We asked what the Department was doing to manage the pressures this places on other services such as the police. The Department told us that on security issues, providers will work with local police forces. But it said it was not working with the police nationally to consider the risks and issues arising from hotel usage.<sup>62</sup>

23. The Department told us that 429 asylum seekers had been tested for COVID-19, 122 of whom had tested positive.<sup>63</sup> In its letter to us after our evidence session, the Department further explained that of those that had tested positive, 29 asylum seekers were in hotels.<sup>64</sup> The Department also told us that 750 individuals were self-isolating and 348 shielding.<sup>65</sup> It recognised that it had been difficult to manage asylum seekers in hotels amid the COVID-19 pandemic, and described how one provider, Serco, had brought in more security and worked with the police and local authority in Birmingham to improve compliance with social distancing requirements.<sup>66</sup> The Department said it had been discussing with Public Health England and the Department of Health and Social Care regarding how, in the context of the COVID-19 pandemic, to safely stop support for asylum seekers who are no longer eligible. It explained that Ministers had been clear that this must be done in a way that was “careful and phased”.<sup>67</sup>

24. We asked why, if safeguarding was essential to the new contracts, the Department’s accommodation contract with providers did not contain a key performance indicator for safeguarding asylum seekers. The Department agreed that this was a critical aspect of the new contracts and explained that safeguarding was instead reflected throughout almost all aspects of the contract. It had set up a safeguarding board, and through that was working with partners to develop a safeguarding assurance framework to ensure the safeguarding elements of its key performance indicators were met. The Department said it would work with its partners, such as local authorities, to ensure that they understand this framework. We asked why, in the interests of accountability, it had not published the safeguarding framework and how it expected to assess whether an approach was good or bad practice without an agreed key performance indicator or standard. The Department committed to looking at this as part of its work with the safeguarding board.<sup>68</sup>

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61 ASY0005 - Hull City Council

62 Qq 68–69

63 Q 49

64 Correspondence from Matthew Rycroft, Permanent Secretary, Home Office, Re: Home Office Asylum Accommodation and Support, dated 15 October 2020

65 Q 49

66 Q 55

67 Qq 134–136

68 Qq 137–139

# Formal minutes

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## Monday 9 November 2020

Virtual meeting

Members present:

Meg Hillier, in the Chair

Gareth Bacon

Peter Grant

Olivia Blake

Mr Richard Holden

Sir Geoffrey Clifton-Brown

James Wild

Barry Gardiner

Draft Report (*Asylum accommodation and support transformation programme*), proposed by the Chair, brought up and read.

*Ordered*, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 24 read and agreed to.

Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

*Resolved*, That the Report be the Twenty fifth of the Committee to the House.

*Ordered*, That the Chair make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Thursday 12 November at 9:15am

## Witnesses

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The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

### Thursday 01 October 2020

**Matthew Rycroft CBE**, Permanent Secretary, Home Office; **Shona Dunn**, Second Permanent Secretary, Home Office; **Sean Palmer**, Director, Immigration & Protection, Home Office

[Q1-148](#)

## Published written evidence

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The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

ASY numbers are generated by the evidence processing system and so may not be complete.

- 1 Asylum Matters ([ASY0006](#))
- 2 Barnsley Metropolitan Borough Council ([ASY0008](#))
- 3 Doctors of the World UK ([ASY0002](#))
- 4 Health and well-being themes for Initial Accommodation residents in Birmingham ([ASY0013](#))
- 5 Health and well-being themes for Initial Accommodation residents in Birmingham ([ASY0011](#))
- 6 Hull City Council ([ASY0005](#))
- 7 Local Government Association ([ASY0004](#))
- 8 London School of Economics and Political Science ([ASY0007](#))
- 9 Migrant Help (Caroline O'Connor, CEO) ([ASY0001](#))
- 10 Refugee Council ([ASY0003](#))
- 11 South Yorkshire Migration and Asylum Action Group ([ASY0010](#))
- 12 Tees Valley of Sanctuary ([ASY0012](#))
- 13 Thousand4£1000 ([ASY0009](#))

## List of Reports from the Committee during the current Parliament

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All publications from the Committee are available on the [publications page](#) of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

### Session 2019–21

First Report	Support for children with special educational needs and disabilities	HC 85
Second Report	Defence Nuclear Infrastructure	HC 86
Third Report	High Speed 2: Spring 2020 Update	HC 84
Fourth Report	EU Exit: Get ready for Brexit Campaign	HC 131
Fifth Report	University Technical Colleges	HC 87
Sixth Report	Excess votes 2018–19	HC 243
Seventh Report	Gambling regulation: problem gambling and protecting vulnerable people	HC 134
Eighth Report	NHS expenditure and financial management	HC 344
Ninth Report	Water supply and demand	HC 378
Tenth Report	Defence Capability and the Equipment Plan	HC 247
Eleventh Report	Local authority investment in commercial property	HC 312
Twelfth Report	Management of tax reliefs	HC 379
Thirteenth Report	Whole of Government Response to Covid-19	HC 404
Fourteenth Report	Readying the NHS and social care for the COVID-19 peak	HC 405
Fifteenth Report	Improving the prison estate	HC 244
Sixteenth Report	Progress in remediating dangerous cladding	HC 506
Seventeenth Report	Immigration enforcement	HC 407
Eighteenth Report	NHS nursing workforce	HC 408
Nineteenth Report	Restoration and renewal of the Palace of Westminster	HC 549

Twentieth Report	Tackling the tax gap	HC 650
Twenty-First Report	Government support for UK exporters	HC 679
Twenty-Second Report	Digital transformation of the NHS	HC 680
Twenty-Third Report	Delivering carrier strike	HC 684
Twenty-Fourth Report	Selecting towns for the Town Fund	HC 651
Twenty-Sixth Report	Department for Work and Pensions Accounts 2019–20	HC 681