

Home Affairs Committee

The Home Office's management of asylum accommodation

Fourth Report of Session 2024–26

HC 580

Home Affairs Committee

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Summary

Over the past six years, the Home Office has presided over an increasingly expensive asylum accommodation system. The expected cost of the Home Office's asylum accommodation contracts for the ten years between 2019–29 has more than tripled, from £4.5 billion to £15.3 billion. External factors—the Covid-19 pandemic and the dramatic increase in small boat arrivals—and decisions by the previous government—such as pausing asylum decision-making while it pursued the Rwanda scheme—have meant that the Home Office has had to accommodate a growing number of people for longer periods of time. At the end of 2018 around 47,500 asylum seekers were accommodated by the Home Office. As of June 2025, the Home Office was responsible for accommodating around 103,000 people. The number of asylum seekers in hotels is currently significantly lower than during the peak of hotel use—32,059 people as of June 2025, compared to 56,042 in September 2023—although the number of asylum seekers accommodated in hotels was 8% higher in June 2025 compared to June 2024.

In this report we examine how the Home Office responded at an operational level to the dramatic increase in demand for asylum accommodation and explore how the system for delivering accommodation could be strengthened and reformed. We heard powerful evidence that during the 2019–2024 Parliament the Home Office focused on pursuing high-risk, poorly planned policy solutions. Failures of leadership at a senior level, shifting priorities, and political and operational pressure for quick results meant that the department was incapable of getting a grip on the situation, and allowed costs to spiral.

The Home Office has become heavily reliant on the costly use of hotels for asylum accommodation—which are unpopular with local communities and largely unsuitable for accommodating asylum seekers. It has used large scale contracts with private providers to deliver asylum accommodation, but these contracts have provided few levers to control costs and ensure that providers are delivering the accommodation required. The Home Office seems to have neglected the day-to-day management of these contracts, failing to protect value for money for the taxpayer. Two accommodation providers owe millions to the Home Office in excess profits, but the Home Office only appears to have started the process for recouping these profits in 2024 and has yet to reclaim these profits from providers. This money should be supporting the delivery of public services, not sitting in the bank accounts of private businesses.

The Home Office has undoubtedly been operating in an extremely challenging environment, but its chaotic response has demonstrated that it has not been up to the challenge.

We have heard about too many cases where asylum accommodation is not of an adequate standard, and safeguarding concerns relating to vulnerable people in accommodation have not been addressed. The accommodation asylum seekers are housed in should be adequate, and safeguarding issues should be taken seriously and escalated as required. We have recommended a series of actions for the Government to take to get a grip on the current asylum accommodation contracts and to prioritise the effective management of its providers.

The Government's approach to the delivery of asylum accommodation has led to accommodation being distributed unevenly across the country and within local areas, putting pressure on local services and creating or exacerbating community tensions. The Home Office has developed plans for a fairer distribution of asylum accommodation, but made limited progress, and we share the scepticism that their plans will be achieved. The department has also not done enough to engage with local authorities or local communities, undermining trust and the ability of local partners to respond to the placement of asylum seekers in their area.

We have made a set of recommendations on how the Government can address the pressures experienced by local areas where a disproportionate number of asylum seekers are accommodated and respond to the legitimate concerns of local communities.

The 2026 break clause and end of the contracts in 2029 represent opportunities to draw a line under the current failed, chaotic and expensive system and move to a model that is more effective and offers value for money. We call for a system that is more locally led but better centrally controlled, where the Home Office works in partnership with local stakeholders.

The Government has committed to reducing the cost of the asylum system and ending the use of hotels by 2029. This is a stated Government priority, but making promises to appeal to popular sentiment without setting out a clear and fully articulated plan for securing alternative accommodation risks under-delivery and consequently undermining public trust still further. The Home Office has failed to share a clear strategy for the long-term delivery of asylum accommodation. The Home Office has repeatedly cut corners and wasted considerable amounts of taxpayers' money, and is once again under pressure to act quickly to bring down the use of the hotels.

The department is considering the use of large sites in its approach to asylum accommodation, having previously said it would move away from their use. In principle, large sites can provide suitable temporary accommodation. However, they have generally proved more costly to deliver than hotel accommodation and will not enable the department to drive down costs in the same way as expanding Dispersal Accommodation. If the department chooses to pursue large sites, it needs to fully understand and accept this trade off. It must learn the lessons from its previous mistakes in rushing to deliver short-term solutions that later unravel.

Any future asylum accommodation strategy should be based on equity and fairness rather than cost alone. It should be long-term in nature but flexible in delivery, in order to respond to unpredictable demands. Ultimate responsibility should remain with the Home Office, whatever the extent of outsourcing and decentralisation.

1 Introduction and background

1. The UK has domestic and international legal obligations to protect refugees and those fleeing torture or inhumane treatment who seek protection within our borders. The most important of these obligations is the principle of non-refoulement,¹ which is enshrined in several international treaties that have been ratified by the UK. The 1951 Refugee Convention, ratified by the UK and 145 other countries, requires that refugees should not be expelled or returned to a country where they face serious threats to their life or freedom on account of their race, religion, nationality, membership of a particular social group or political opinion.² Other treaties to which the UK is party, including the UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, the UN International Covenant on Civil and Political Rights and the European Convention on Human Rights, prohibit returning people to countries where they will face death, torture or inhuman or degrading treatment.³ The principle of non-refoulement forms part of UK domestic law, having been given effect in a number of statutes concerning immigration.⁴
2. An asylum seeker is someone who is applying for recognition as a refugee. The UK considers claims made for asylum within its borders, and grants refugee status to applicants who meet the definition of a refugee as set

1 The principle of non-refoulement “prohibits States from transferring or removing individuals from their jurisdiction or effective control when there are substantial grounds for believing that the person would be at risk of irreparable harm upon return, including persecution, torture, ill treatment or other serious human rights violations”. United Nations, Office of the High Commissioner for Human Rights, [Technical note: The principle of non-refoulement under international human rights law](#), 5 July 2018

2 UNHCR, [United Nations Convention and Protocol Relating to the Status of Refugees](#), Article 33

3 OHCHR, [Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment](#), Article 3, OHCHR, [International Covenant on Civil and Political Rights](#), Article 6, European Court of Human Rights, [European Convention on Human Rights](#), Articles 2 and 3

4 Including: [Asylum and Immigration Appeals Act 1993](#), [Nationality, Immigration and Asylum Act 2002](#), [Asylum and Immigration \(Treatment of Claimants, etc.\) Act 2004](#), as discussed in the judgment of the Supreme Court in [R \(on the application of AAA and others\) v Secretary of State for the Home Department](#) [2023] UKSC 42

out in the Refugee Convention.⁵ If someone does not meet the definition of a refugee, but is still in need of protection because of risks to their safety in their home country, they may be granted humanitarian protection instead, which provides very similar rights to refugee status.⁶ The Home Office is responsible for processing asylum claims and deciding whether an individual meets the definition of a refugee. While they are awaiting a decision on their claim, asylum seekers are usually not allowed to work and cannot access mainstream benefits. The Home Office has a statutory duty to house and provide subsistence support to asylum seekers who are considered destitute while they are awaiting a decision on their claim, and for the duration of any appeals.⁷ The Home Office also accommodates destitute asylum seekers whose claims have been refused and who have exhausted their right to appeal if they meet certain criteria, such as if they are taking all reasonable steps to leave the UK.⁸ Accommodation must be adequate, and support must be sufficient to cover essential living needs.⁹

The Asylum Accommodation and Support Contracts

3. Since 2012, asylum accommodation has been delivered through large-scale, regional contracts by a handful of private providers. The current contracts—the Asylum Accommodation and Support Contracts (AASC)—commenced in 2019 and will expire in 2029. Each contract has a break clause that allows the Home Office to change or end the contract without penalty from March 2026 onwards.
4. Between 2012 and 2019, asylum accommodation was delivered by G4S, Serco, and Clearel under COMPASS, a set of six regional contracts with a similar model to the current contracts. These services performed poorly and were criticised for providing substandard accommodation for asylum seekers.¹⁰ The Home Office sought to improve the service when tendering the Asylum Accommodation and Support Contracts, introducing additional

5 A person who: “owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion, is outside the country of his nationality, and is unable to or, owing to such fear, is unwilling to avail himself of the protection of that country” ([1951 Refugee Convention](#), Article 1).

6 Home Office, [Granting humanitarian protection: caseworker guidance](#), gov.uk (accessed 1 September 2025)

7 [Immigration and Asylum Act 1999](#), s95

8 [The Immigration and Asylum \(Provision of Accommodation to Failed Asylum-Seekers\) Regulations 2005, SI 2005/930](#)

9 House of Commons Library, [Asylum support: Accommodation and financial support for asylum seekers](#), Research Briefing 1909, 5 April 2024, p 12

10 National Audit Office, [Asylum accommodation and support](#), Report by the Comptroller and Auditor General, HC (2019–21) 375, 3 July 2020, para 1.9

requirements to identify vulnerable people and provide information to asylum seekers.¹¹ The Home Office also introduced the Advice, Issue Reporting, and Eligibility (AIRE) service—delivered by Migrant Help—which provides advice and assistance to asylum seekers and acts as a single point of contact for raising issues and complaints, and is independent of the Home Office and accommodation providers.¹²

5. The current asylum accommodation and support contracts are delivered by: Serco in the North West and Midlands and in the East of England; by Clearsprings in the South and Wales; and by Mears in the North East, Yorkshire and the Humber, Scotland and Northern Ireland. Providers are contracted to provide an end-to-end service, identifying, procuring and managing accommodation and transporting asylum seekers to and from their accommodation.¹³
6. The Home Office has awarded smaller contracts to other providers to deliver aspects of the asylum accommodation system. For example, it awarded contracts to other providers for aspects of the delivery of the large sites programme, including the management of the Bibby Stockholm, which was delivered by Corporate Travel Management (CTM).¹⁴ In April 2025, the Home Office awarded a four-year contract worth £550 million to CTM for the provision of Contingency hotel accommodation.¹⁵ The timing of the award means that we did not examine this contract in the course of our inquiry.

Increased demand for asylum accommodation

7. Since the current asylum accommodation contracts were awarded in January 2019, the number of people awaiting a decision on their claim has grown significantly. At the end of 2018 around 47,500 asylum seekers were accommodated by the Home Office. This number rose to a peak of 119,000 people at the end of September 2023, and as of June 2025 sits at around 103,000 people.¹⁶

11 National Audit Office, [Asylum accommodation and support](#), Report by the Comptroller and Auditor General, HC (2019–21) 375, 3 July 2020, Figure 4

12 DEP2018–1112 (I. [Asylum accommodation and support: schedule 2. Statement of requirements. Incl. annexes. 117p.](#) II. [Advice, issue reporting and eligibility support: schedule 2. Statement of requirements. 106p](#))

13 Home Office ([AAC0141](#)) para 6

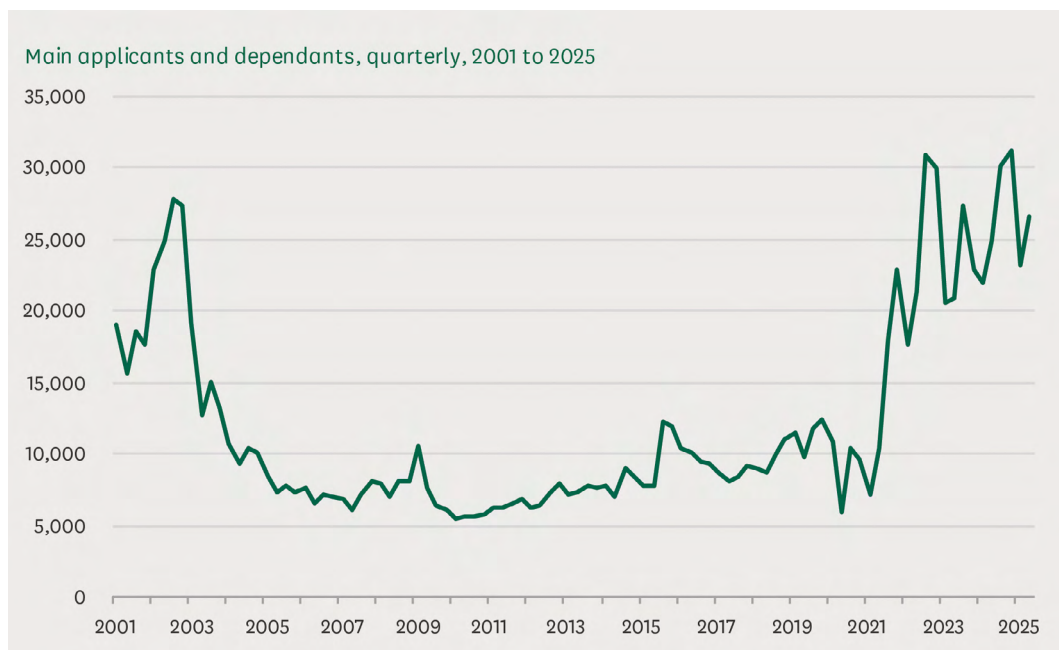
14 National Audit Office, [Investigation into asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2023–24) 635, 20 March 2024, figure 11

15 Contracts Finders, Home Office, [Contract for the Provision of Asylum Accommodation and Travel Services](#), 16 June 2025

16 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support detailed datasets, year ending June 2025, Table ASY_D09

8. Demand for accommodation is driven by the number of asylum seekers awaiting a final outcome on their claim, which in turn is determined by the number of people applying for asylum, and the time it takes for their claim to be processed. The growing pressures on the asylum system since 2020 have been driven by a range of factors, including the immediate impact of the Covid-19 pandemic, the increase in the number of asylum claims, and the speed of asylum case processing. The rate of asylum applications is inherently unpredictable and fluctuations in the number of people claiming asylum are influenced by world events and global trends in migration. Since 2021, asylum claims in the UK have grown significantly, with the year ending June 2025 seeing 111,084 people applying, the highest number on record, driven largely by the growth of arrivals via small boat Channel crossings and an increase in asylum claims from people with visas. Countries within the EU have also seen an increase in the numbers of asylum claims over the past five years, although the number of new asylum applications in the EU is now falling.¹⁷ The Home Office has little control over many of the factors that drive demands on the asylum system and so needs to be able to respond to fluctuating demands.

Figure 1 Number of people applying for asylum in the UK



Source: Home Office, [Immigration system statistics data tables](#), Asylum claims and initial decisions detailed datasets, year ending June 2025, Table ASY_D01

17 House of Commons Library Briefing, [Asylum statistics](#), Research Briefing SN01403, 1 September 2025, p 12–14, 31

9. Accommodation providers used hotels as Contingency Accommodation for asylum seekers prior to 2020, but the use of hotels increased dramatically as a result of the pandemic.¹⁸ During the pandemic, as a public health measure the Home Office temporarily paused the cessation of asylum support to those who had received decisions on their claims, to prevent people from becoming homeless during lockdown. The pause on evictions, combined with the need to allow for social distancing in asylum accommodation, created a shortage of bedspaces throughout the system. The Home Office and its providers significantly scaled up the use of hotels to ensure that asylum seekers could be accommodated appropriately.¹⁹ The use of hotels was intended to be a short-term response to the pressures of the pandemic but has become an enduring part of the asylum accommodation system as demand for accommodation has continued to outstrip supply. Slow decision making, rooted in under-resourcing, inadequate IT and poor processes within the Home Office allowed the asylum backlog to grow, increasing the pressures on accommodation.²⁰ From 2021 onwards, these pressures were exacerbated by growth in the number of new applications for asylum. This combination of factors means that the Home Office has had to accommodate many more asylum seekers than it expected when it negotiated the current contracts.
10. The number of asylum cases awaiting an initial decision peaked at 134,000 cases, relating to 175,000 people, in June 2023. The Home Office implemented a number of changes to speed up decision making and reduce the backlog of initial decisions, including increasing the number of caseworkers making decisions, and streamlining the application process for certain cohorts. This contributed to a fall in the initial decision backlog between June 2023 and January 2024.²¹ Progress on reducing the backlog of initial decisions came to a halt in the spring of 2024 due to the Illegal Migration Act.²² The Act prevented anyone who had arrived after March 2023 without valid entry clearance from being granted leave to remain, with the intention that asylum claims from this cohort would be deemed inadmissible, and the claimants would be transferred to a safe third country, such as Rwanda. The Home Office stopped processing any asylum claims from arrivals after this date, on the grounds that this provision meant it could not make decisions on these cases.²³ The resulting drop in decision making meant that

18 House of Commons Library Briefing, [Asylum accommodation: the use of hotels and military barracks](#), Research Briefing 8990, 24 November 2020, p 2

19 Home Office, [The use of temporary hotels to house asylum seekers during Covid-19](#), gov.uk, 8 August 2020

20 Home Affairs Committee, First Report of Session 2022–23, [Channel crossings, migration and asylum](#), HC 199 para 6

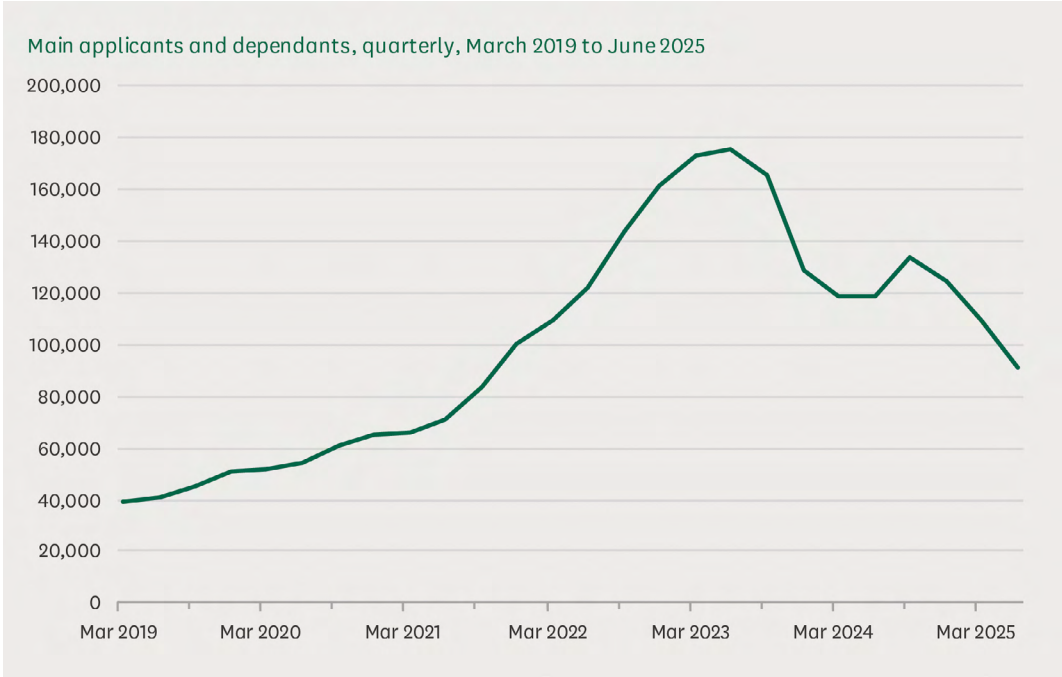
21 Home Office, [How many cases are in the UK asylum system?](#), gov.uk (accessed 3 October 2025)

22 [Illegal Migration Act](#), s30

23 HC Deb, 22 July 2024, [cols 385–386](#)

the initial decision backlog grew substantially between March and September 2024. Following the general election, the Home Office restarted processing these claims and has made progress in reducing the backlog of initial decisions through increased decision making, but the Home Office is now seeing the highest number new asylum applications on record.²⁴

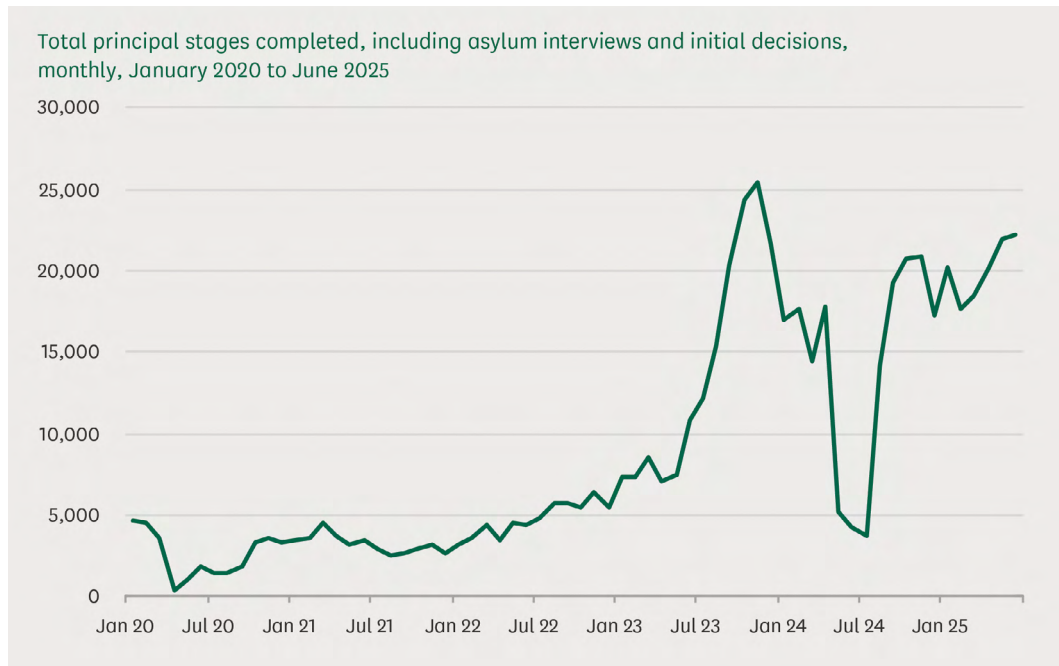
Figure 2 Number of people with asylum claims awaiting an initial decision



Source: Home Office, [Immigration system statistics data tables](#), Asylum claims awaiting a decision detailed datasets, year ending June 2025, Table ASY_D03

24 Home Office, [Immigration system statistics data tables](#), Asylum claims and initial decisions detailed datasets, year ending June 2025, Table ASY_D01

Figure 3 Asylum casework productivity



Note: The Home Office reports asylum casework productivity based on the number of “Principal stages” completed each month. There are two principal stages: substantive interviews with asylum seekers, which are used as evidence to assess an asylum claim, and initial decisions being made.

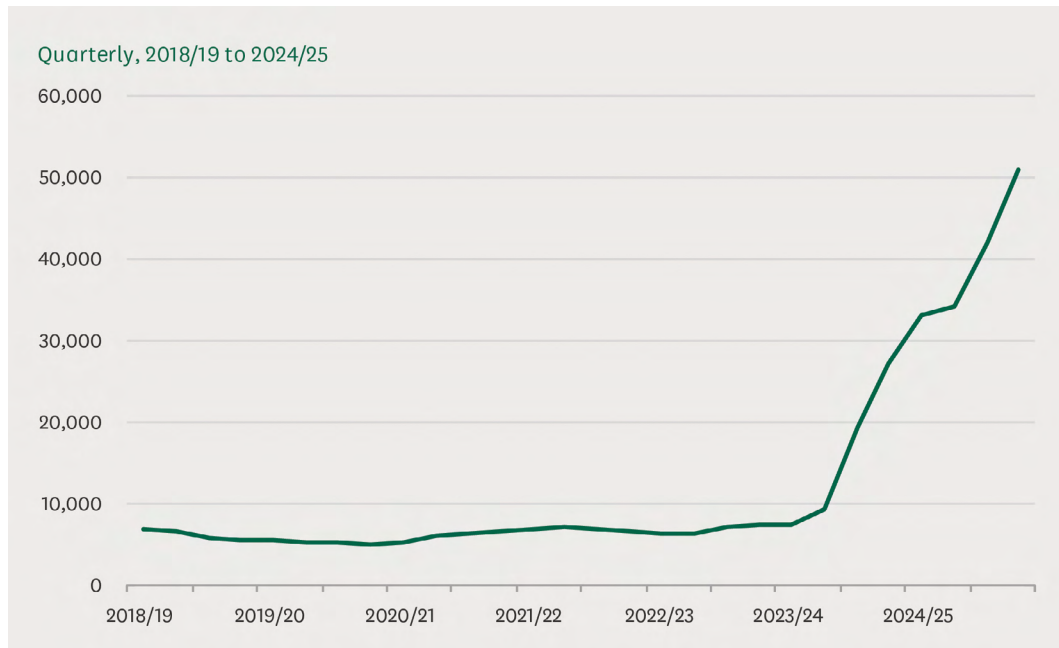
Source: Home Office, [Migration transparency data](#), Immigration and protection data: April to June 2025, ASY_05(M)

11. While the Home Office has made progress in increasing the rate of decision making and reducing the initial decision backlog, pressure on the system remains high—the number of people receiving asylum support at the end of June 2025 was 5% higher than the previous year.²⁵ The increase in initial decision making has led to an increase in refusals being appealed. As of March 2025, there were 51,000 asylum appeals before the First-Tier Tribunal Immigration and Asylum Chamber.²⁶ The Home Office is required to accommodate eligible asylum seekers awaiting a decision on their appeal; so reducing the appeals backlog represents another key step to reducing the number of people in asylum accommodation.

25 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support detailed datasets, year ending June 2025, Table ASY_D09

26 Ministry of Justice, [Tribunals statistics quarterly: January to March 2025](#), Main Tables, Table FIA_4

Figure 4 Open asylum related cases before the First-Tier Tribunal Immigration and Asylum Chamber



Source: Ministry of Justice, [Tribunal statistics quarterly: January to March 2025](#), Main Tables (January to March 2025), FIA_4

Our inquiry

12. Over the past six years, the Home Office has presided over rising costs and growing concerns about the delivery of asylum accommodation. We wanted to understand how the Home Office responded at an operational level to the dramatic increase in demand for asylum accommodation and explore how the system for delivering accommodation could be strengthened and reformed.
13. The Government has committed to reducing the cost of the asylum system and ending the use of hotels by 2029. The Government has said it will achieve this by reducing the number of people in the asylum system, speeding up the processing of claims and appeals, reducing irregular arrivals by cracking down on criminal gangs, discouraging those who would travel by small boats, and increasing returns of people who do not have the right to be in the UK. The Home Office hopes to deter channel crossings and undermine the business model of criminal gangs who facilitate crossings through the UK/European Applicant Transfer Scheme with France.²⁷ The Prime Minister has also announced an end to the automatic right to family

²⁷ [Letter from the Home Secretary relating to the UK-France treaty and Immigration Rules changes](#), 6 August 2025

reunion and longer waits for settlement for refugees.²⁸ We have scrutinised the Government's progress in these areas in regular sessions with the previous Home Secretary and permanent secretaries,²⁹ and will continue to hold the Home Office to account on its efforts to restore order to the asylum system. Fixing the asylum system will ultimately require a multifaceted approach, to improve the speed and quality of decisions, tackle the appeals backlog, ensure the removal of those who do not have the right to be in the UK, and address the underlying causes of irregular migration.

14. For this inquiry, we have focused specifically on how the Home Office has approached the delivery of its statutory duty to house destitute asylum seekers. We wanted to scrutinise the Home Office's management of the multi-billion pound contracts it has in place for the delivery of accommodation, and the impact that the Home Office's approach has had, both on the areas where accommodation is placed and on asylum seekers themselves. We have sought to identify changes that could be made to how asylum accommodation is managed and delivered, to ensure better value for money and reduce costs for the taxpayer.
15. Asylum accommodation, and in particular the use of hotels to house asylum seekers, is a fraught topic. In this report, we recognise and share the legitimate frustrations and understandable concerns that many have with the current system. At times, these frustrations have been exploited by people whose primary aim is to encourage intolerance and division. As a consequence, hotels accommodating asylum seekers have been targets of unacceptable violence, and misinformation about asylum hotels has proliferated. We consider these issues in detail in Chapter Four.
16. We received 124 pieces of written evidence in the course of our inquiry and held five oral evidence sessions. We visited asylum accommodation in London, Scotland and the large site at Wethersfield in Essex. On our visits we spoke to strategic and operational Home Office staff, contract providers, local authorities, local charities and community groups, and current and former asylum seekers. We are grateful to staff at Clearsprings, Mears Group and the Home Office, and the relevant local authorities, who facilitated these visits, and to everyone who took the time to meet us. We are also grateful to the British Red Cross and Care4Calais, who facilitated meetings with asylum seekers and former asylum seekers. Seeing asylum accommodation first hand and speaking to asylum seekers and those involved in the day-to-day delivery of asylum accommodation has been invaluable to our inquiry.

28 Prime Minister's Office, 10 Downing Street, [UK to reform asylum offer to reduce the pull factor for small boat crossings](#), gov.uk (accessed 3 October 2025)

29 Oral evidence taken on 17 December 2024, [Qq 14–29, 33–34](#), oral evidence taken on 4 February 2025, [Qq 56–57, 67–69](#)

17. To support our inquiry, we asked the National Audit Office (NAO) to investigate the Home Office's management of the asylum accommodation contracts. The NAO produced a factual report on the asylum accommodation contracts in response to our request.³⁰ We are grateful for its support in this inquiry.³¹

30 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025

31 We were also assisted by our specialist adviser David Neal, former Independent Chief Inspector of Borders and Immigration. David made declarations of interests which can be found in the formal minutes of the Home Affairs Committee, Session 2024–26, Appendix.

2 Ensuring value for money

18. The asylum accommodation contracts were designed on the basis that asylum seekers would be primarily housed in two types of accommodation: Initial Accommodation—managed sites where asylum seekers are meant to stay for a brief period of time upon arrival—and Dispersal Accommodation—longer term, self-catered accommodation, such as flats or Houses of Multiple Occupation (HMOs).³² The contracts allowed for the use of “Contingency” accommodation—which are usually hotels—when demand for accommodation exceeds supply, but stated that Contingency Accommodation should only be used on a short-term basis.³³
19. The Home Office chose to commission large scale regional contracts, with a single provider in each region integrating the delivery of transport and accommodation. The large size of the contracts limited the number of providers who were eligible to bid. There was extremely limited competition for the asylum accommodation contracts when they were tendered in 2018—in three of the seven contract regions, only one provider bid to deliver the service, and so were appointed without competition.³⁴ Reliance on a small number of large scale suppliers, where there are limited alternative providers, no doubt weakened the Home Office’s negotiating position and ability to insist on value for money. In the circumstances, when it became clear the large size of the proposed contracts would have a significant detrimental effect in promoting competition in the award of those contracts, further consideration should have been given to adopting an alternative to the single regional provider model.

Over-reliance on Contingency Accommodation

20. As demand for accommodation increased from 2020 onwards, due to the impact of the pandemic and the growing asylum backlog, the Home Office negotiated contract changes with providers to require them to deliver Contingency hotels, to ensure that all asylum seekers could be

32 Home Office ([AAC0141](#)) paras 7, 16

33 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 1.15

34 National Audit Office, [Asylum accommodation and support](#), Report by the Comptroller and Auditor General, HC (2019–21) 375, 3 July 2020, para 8

accommodated.³⁵ Unlike other types of asylum accommodation, costs for contingency sites are negotiated on a site-by-site basis.³⁶ Hotels are significantly more expensive than Dispersal Accommodation. The Home Office has estimated that the average cost per person per night of accommodating asylum seekers is £23.25 in Dispersal Accommodation, compared to £144.98 in Contingency hotels.³⁷ Hotel accommodation typically needs onsite catering, security, and laundry services, creating additional costs compared to Dispersal Accommodation.³⁸

21. Hotels were stood up at speed by the Home Office to meet the department's statutory responsibilities to house destitute asylum seekers. The Independent Chief Inspector for Borders and Immigration noted that when many of these contracts were agreed, the Home Office was in a weak negotiating position due to the urgent need for accommodation.³⁹ The then Home Secretary, the Rt Hon Yvette Cooper MP, told us that "many of those contracts were signed in a rush in the summer of 2022 and, as a result, have not been the most effective".⁴⁰ While we recognise the challenging circumstances in which the Home Office was operating, demand within the asylum system is unpredictable by its nature, and it is disappointing that greater consideration was not given to contingency planning in the initial design of the contracts.

35 Home Office ([AAC0141](#)) para 12

36 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 1.17 – 1.18

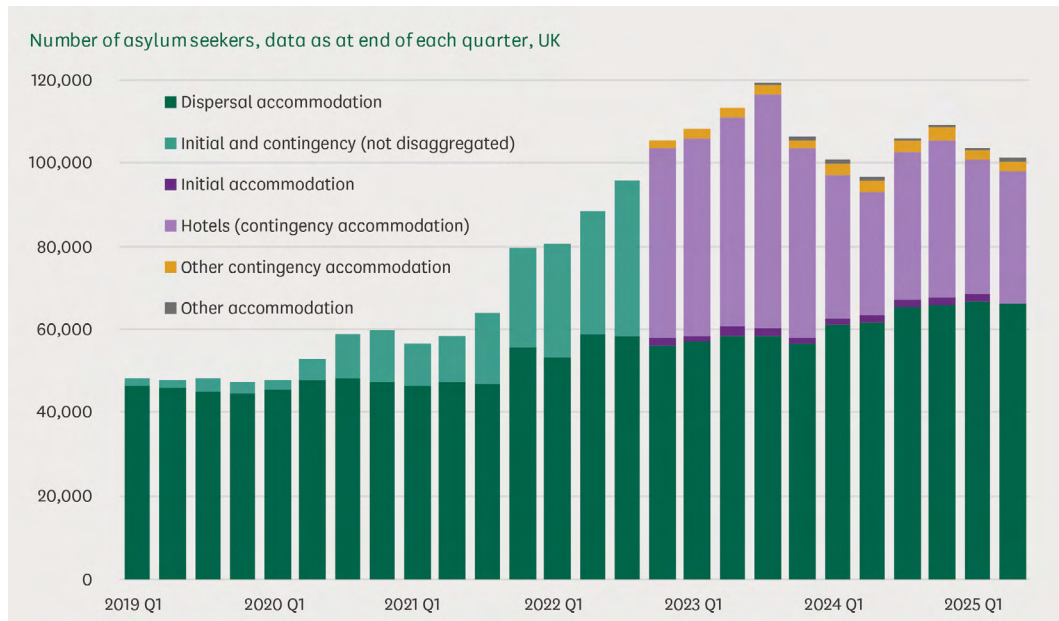
37 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#). Home Office estimate as of June 2025. The daily cost of accommodating a person in a hotel will fluctuate over time.

38 [Q123](#)

39 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation: November 2023 – June 2024](#), October 2024, para 5.47

40 Oral evidence taken on 17 December 2024, [Q33](#)

Figure 5 Number of asylum seekers receiving asylum accommodation support, by accommodation type



Source: Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support detailed datasets, year ending June 2025, Table ASY_D09

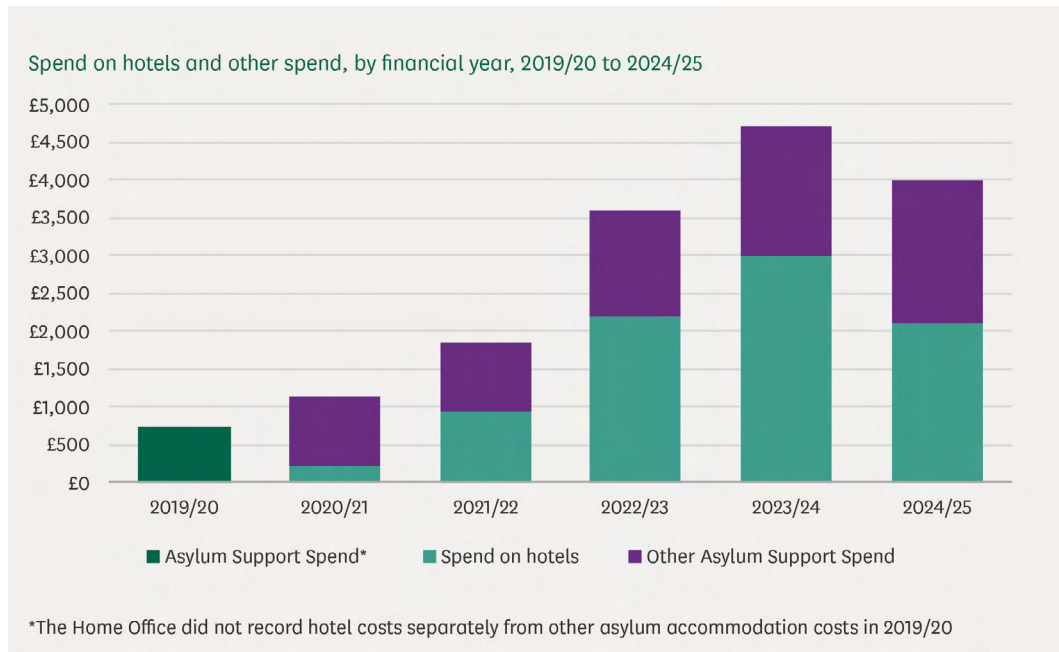
22. The increased use of hotels has significantly increased the cost of asylum accommodation, and therefore the value of the asylum accommodation contracts and profits for the providers. Home Office spending on asylum support rose from £739 million in 2019–20 to a peak of £4.7 billion in 2023–24.⁴¹ In 2024–25, the Home Office spent £4 billion on asylum support, of which £2.1 billion was spent on hotels.⁴² When the current contracts were set up the Home Office estimated that they would cost £4.5 billion over their ten-year (2019–29) term. It now expects them to cost £15.3 billion over the ten-year term.⁴³

41 National Audit Office, [The asylum and protection transformation programme](#), Report by the Comptroller and Auditor General, HC 1375, 16 June 2023, Figure 4. Home Office, [Annual report and accounts 2024–2025](#), HC 1133, 17 July 2025, p 75

42 Home Office, [Annual report and accounts 2024–2025](#), HC 1133, 17 July 2024, p 75

43 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 4

Figure 6 Home Office spending on asylum support over time in £millions



Note: Home Office asylum support spending includes accommodation costs, subsistence support, grants to local authorities and other asylum support costs.

Sources: National Audit Office, [The asylum and protection transformation programme](#), Report by the Comptroller and Auditor General, HC 1375, 16 June 2023, Figure 4. Home Office, [Annual report and accounts 2023–2024](#), HC 184, 30 July 2024, p 82. Home Office, [Annual report and accounts 2024–2025](#), HC 1133, 17 July 2025, p 75.

23. The rising cost of asylum support has had an impact on the Overseas Development Assistance (ODA) budget, absorbing funding that would otherwise have been spent overseas, in low and middle income countries.⁴⁴ The Government’s ODA budget—for overseas aid to low and middle income countries to support their development—can be used to cover the cost of support given to in-country refugees for the first twelve months after their arrival. In 2024–25, £2.22 billion of spending on asylum support was classed as ODA.⁴⁵ The Home Office expects to spend £2.15 billion of ODA on asylum support in 2025–26.⁴⁶
24. The Home Office has made some progress in reducing spending on asylum accommodation and support. The department has managed to reduce spending on asylum hotels in 2024–25 by £0.9 billion compared to 2023–24.⁴⁷ The number of asylum seekers in hotels is currently significantly lower than

44 Independent Commission for Aid Impact, [How UK aid is spent](#), 26 February 2025, section 3.2

45 [Home Office Supplementary Estimates Memorandum 2024–25](#)

46 [Home Office Main Estimates Memorandum 2025–26](#)

47 Home Office, [Annual report and accounts 2024–2025](#), HC 1133, 17 July 2024, p 75

during the peak of hotel use—32,059 people as of June 2025, compared to 56,042 in September 2023, although that still represents an 8% increase on the numbers being accommodated in hotels in June 2024, which casts doubt on the Home Office’s assertion they are continuing to reduce reliance on hotel accommodation.⁴⁸ The overall increase in asylum decision making since late 2023 contributed to reducing the overall number of people receiving asylum support, although the number of people receiving support is now once again increasing. The Home Office was able to cut costs by reducing the number of empty bedspaces across the asylum estate and increasing room-sharing within hotels, although it did not start this work until 2023, despite the high rate of underoccupancy in some hotels.⁴⁹ It is regrettable that the Home Office took so long to address under-occupancy. The Home Office told us that it renegotiated the rates for hotels with providers in 2023, significantly reducing the costs of hotels.⁵⁰ The Home Office has modelled the cost of accommodation in order to challenge costs presented by providers, but has not done so consistently.⁵¹

25. The Home Office also tried to reduce the cost of asylum spending through procuring alternative, cheaper forms of accommodation. The department hoped to deliver alternative accommodation to hotels through the large sites programme. However, this delivered far fewer bedspaces than planned, was generally more costly than hotels, and led to substantial losses where sites were procured by the Home Office but turned out not to be suitable.⁵² The only site from the large site programme currently in operation is Wethersfield. The Home Office estimates that Wethersfield is now less costly to run per person per night than hotels (£132, compared to £144.98).⁵³ Our understanding is that the estimates for Wethersfield do not include the acquisition, lease and set up costs for the site, which were £105 million.⁵⁴ The Home Office is now hoping to deliver alternative accommodation through medium sites, and is considering expanding the use of large sites, which we consider in Chapter Five.⁵⁵

48 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support detailed datasets, year ending June 2025, Table ASY_D09

49 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation: November 2023 – June 2024](#), October 2024, para 2.4

50 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

51 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 3.7

52 National Audit Office, [Investigation into asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2023–24) 635, 20 March 2024, paras 10–13

53 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

54 National Audit Office, [Investigation into asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2023–24) 635, 20 March 2024, figure 6

55 [Q369](#), HC Deb, 15 September 2025, [col 1177](#)

26. The Home Office negotiated contract changes to try to increase the amount of Dispersal Accommodation delivered by providers. The department modified the contracts to increase the volume of bedspaces it could require providers to deliver—from 70,000 to 100,300—and increased the price bands for Dispersal Accommodation in several regions, to make it easier for providers to secure accommodation. While there has been a small increase in the number of asylum seekers in Dispersal Accommodation, which has reduced spending to an extent, these changes have not delivered the level of Dispersal Accommodation that the Home Office anticipated.⁵⁶ Providers have not reached the new agreed volumes of Dispersal Accommodation, falling short by about 34,000 bedspaces across the country.⁵⁷ There does not appear to be a contractual mechanism to require providers to deliver up to the agreed caps, or to penalise them for failing to do so.
27. Private providers appear to have incentives to prioritise the use of hotels, rather than finding alternative, cheaper Dispersal Accommodation. The National Audit Office investigation into the asylum accommodation contracts concluded that hotels may be more profitable for providers than other types of accommodation,⁵⁸ and the Home Office told us that the long-term reliance on Contingency hotels reduces the incentive for providers to expand the Dispersal Accommodation they deliver.⁵⁹ Contingency hotels hold less financial risk for providers, as they are paid whether or not hotel rooms are occupied, in contrast to Dispersal Accommodation.⁶⁰ 60% of asylum seekers in hotels live in the South region, where delivery of accommodation is contracted to Clearsprings,⁶¹ and the Managing Director of Clearsprings, Steve Lakey, told us that for them, hotel accommodation is more profitable than longer-term dispersed accommodation.⁶² The estimated value of the 10-year contract for the South has increased tenfold since 2019, from £0.7 billion to £7 billion.⁶³ The Director of Prisons and Immigration for Serco UK and Europe, Claudia Sturt, told us that hotels generate higher revenue than dispersed accommodation.⁶⁴

56 Home Office ([AAC0141](#)) paras 19–26

57 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 3

58 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 8

59 Home Office ([AAC0141](#)) para 27

60 Home Office ([AAC0141](#)) para 15

61 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 3

62 [Q117](#)

63 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 2

64 [Q128](#)

28. We asked providers how they were incentivised to increase the provision of cheaper forms of accommodation, given the greater revenues from operating hotels. Claudia Sturt, from Serco, told us that providers have financial incentives to move asylum seekers from hotels into unoccupied Dispersal Accommodation as quickly as possible because they are not paid when Dispersal Accommodation is empty.⁶⁵ However, this is only applicable where a provider has unoccupied Dispersal Accommodation. Steve Lakey, from Clearsprings, told us:

It is about longevity of contract. It gives us immediate cash now, but we are not providing a product that our customer, the Home Office, particularly wants because it wants dispersed accommodation. We want to be in for a long period of time and we only do that by meeting our customer's need which is to get more dispersed accommodation and have less hotels.⁶⁶

While it is no doubt the case that providers will be motivated by the prospect of future work, there will need to be open competitions for any future contracts, and we are doubtful as to how significant a motivator this is, compared to the additional revenue from operating hotels.

29. We recognise that there are genuine barriers to procurement in certain areas. Accommodation providers told us that they struggle to procure Dispersal Accommodation in particular areas due to lack of available housing and lack of infrastructure.⁶⁷ There is a shortage of housing in England,⁶⁸ and the challenges of securing accommodation in the current housing market were echoed in our evidence. Cllr Peter Mason, speaking to us on behalf of the Local Government Association, told us that the current private rented sector market is incredibly difficult to procure from.⁶⁹ In October 2024 the Independent Chief Inspector of Borders and Immigration described increasing capacity of regular Dispersal Accommodation to meet demand as “not feasible”.⁷⁰ However, we also received evidence from local authorities and Strategic Migration Partnerships reflecting a perception that providers are choosing not to procure in more expensive areas due to cost

65 [Q126](#)

66 [Q131](#)

67 [Qq181, Q187](#)

68 House of Commons Library, [Statutory homelessness \(England\): Causes and government policy](#), Research Briefing 10067, 30 July 2024, p7

69 [Q101](#)

70 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation: November 2023 – June 2024](#), October 2024, para 5.28

and to maximise profit, limiting the growth of Dispersal Accommodation in some areas.⁷¹ We discuss the equity of procurement across different areas in Chapter Four.

30. While we recognise the challenges in the housing market, it is clear that there are also incentives for providers to prioritise hotel use, and extremely limited levers for the Home Office to ensure that providers are doing all that they can to deliver suitable Dispersal Accommodation according to the department's plans. Accommodation providers would need to agree to any changes to the current contracts that would give the Home Office stronger levers to ensure delivery, leaving the Home Office in an extremely weak position, although the existence of a break clause enabling the Home Office to terminate the contracts, exercisable from March 2026, does go some way to strengthening their hand in any such negotiation.

31. **CONCLUSION**

Instead of acting as a short-term contingency measure, the use of hotels has become a widespread and embedded part of the asylum accommodation system, increasing the cost of the asylum accommodation contracts by billions of pounds beyond the original forecast. This is the result of a series of failures by the Home Office in the design of the original contracts, and a manifest failure by the Home Office to grip the contracts and respond to increasing demand. The evidence we have examined leads us to conclude that providers can reap greater profits by prioritising the use of hotels over procuring other, more suitable forms of accommodation. Going forward, the Government will need to design a system that can flexibly respond to fluctuating demand while setting appropriate incentives for providers to maintain value for money.

71 North East Migration Partnership ([AAC0083](#)) para 2.2.5, East of England Strategic Migration Partnership ([AAC0077](#)), West Midlands Strategic Migration Partnership ([AAC0125](#))

32.

RECOMMENDATION

We recommend that the Home Office sets out plans for an asylum accommodation system that can flexibly respond to changing demand, whilst minimising potential costs to the taxpayer. In the short term, the Home Office should identify and implement any possible action it can take to direct and incentivise providers to identify alternative accommodation and exit hotels. The Home Office should also give urgent consideration to the practical implications of exercising the contractual break clauses, that become exercisable from March 2026. The Home Office should ensure that the design of future contracts from 2029 onwards is sufficiently flexible to respond to changing demand, while protecting value for money, and provides the necessary levers to ensure providers deliver appropriate accommodation.

33. We consider the Government's plans to stop using hotels in more detail in Chapter Five.

Contract management

34. There have been ongoing concerns about the lack of capability within the Home Office to properly negotiate and manage contracts of this scale. The Independent Commission for Aid Impact (ICAI) investigated the Home Office's management of the asylum accommodation contracts in March 2023, and concluded that the department's management of the contracts did not adhere to Government standards, and was not adequately resourced.⁷² A year later the ICAI found that the Home Office had made improvements in its commercial capability, but noted that staff had been recruited on a temporary, rather than permanent, basis. The ICAI concluded that the fruits of the department's progress were yet to be seen.⁷³ We asked the then interim Independent Chief Inspector of Borders and Immigration (ICIBI), David Bolt, if he thought that the Home Office had the commercial capability to manage these contracts. He told us:

No.

Mr Bolt went on to explain that capacity for contract management is an ongoing, consistent challenge for the Home Office, with a pattern of the Home Office buying in staff with certain skills, but failing to keep these staff. He told us that as long ago as 2015 the department committed to bolstering its capacity, following warnings from the ICIBI and the National Audit Office.⁷⁴

72 Independent Commission for Aid Impact, [UK aid to refugees in the UK: A rapid review](#), April 2023, paras 4.44–4.47

73 Independent Commission for Aid Impact, [Report: ICAI follow-up: UK aid to refugees in the UK](#), 10 April 2024, paras 1.42–1.46

74 [Q42](#)

- 35.** The Home Office has taken a reactive, rather than proactive, approach to the management of these contracts. The department negotiated a series of changes to its contracts in response to growth in demand but did not develop a documented strategy for negotiating contract changes, instead agreeing changes on a case-by-case basis.⁷⁵ The Home Office told us that while it “endeavours to manage and apply the contracts consistently [...] operational processes have developed organically”, most notably the use of Contingency hotels.⁷⁶ The failure to plan for unanticipated developments, or to get a grip on the contracts as events arose, was chaotic, and led to significant costs to the taxpayer. We find this incompetence unacceptable. The Home Office has the right to commission an independent review to benchmark services delivered under the contracts to assess if it is receiving value for money, which is a standard clause in Government contracts. If the benchmarking finds the service not to be good value for money, suppliers can be required to implement changes. We find it deeply disappointing and inexcusable that the Home Office has not chosen to exercise this right, given the growth in the cost of the contracts.⁷⁷
- 36.** Basic elements of oversight have been neglected over the course of these contracts. When the NAO audited a set of invoices that had been submitted by Clearsprings for hotel use, it found that the Home Office could not provide a complete evidence trail to support the amounts that Clearsprings had charged,⁷⁸ meaning the Home Office could not prove that all of the money it had paid to Clearsprings was genuinely owed. The Home Office told us that it now reviews hotel invoices on a monthly basis to confirm that charges align with agreed pricing and terms.⁷⁹ There are also cases of providers charging the Home Office for bed spaces which do not exist—a Home Office Taskforce found in 2023 that 244 bedspaces had been charged for by one provider when they did not in fact exist.⁸⁰ Given the weaknesses in the Home Office’s contract management capabilities, these are unlikely to be isolated instances.
- 37.** Turnover at an official and ministerial level has reduced the department’s ability to respond effectively to the challenges it has faced delivering asylum accommodation. When the Independent Chief Inspector of Borders and

75 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, paras 8, 1.19

76 Home Office ([AAC0141](#)) para 27

77 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 3.7

78 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 3.6

79 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

80 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation: November 2023 – June 2024](#), October 2024, 5.33

Immigration inspected the delivery of asylum accommodation in 2023–24, he found that high turnover of senior leadership within the Home Office and lack of clear accountability for work streams “led to inefficiencies, duplication of effort and learning not being shared, undermining ASRA’s [Asylum Support, Resettlement and Accommodation] ability to navigate the complex landscape and challenges it faced effectively”.⁸¹ Since 2019, responsibility for asylum accommodation has sat under four different Directors General, and there have been five different Directors with responsibility for asylum support. There has also been a high level of churn at a ministerial level—since 2019, ministerial responsibility for asylum accommodation has changed nine times. High levels of churn and shifting accountabilities will inevitably have made it more challenging for the department to focus on the core work of actively managing these contracts.

38. The previous government’s focus on its partnership with Rwanda and efforts to stand up large sites pulled attention and resources away from day-to-day contract management. Dame Angela Eagle DBE MP, the then Minister for Border Security and Asylum, told us that day-to-day handling of contracts was deprioritised due to the “10-point plan frenzy of trying to make Rwanda work and look for large sites and do all sorts of other things”.⁸² Second Permanent Secretary, Simon Ridley, told us that a lot of the commercial and contract management resource in the Home Office was absorbed in the negotiation of contract changes with providers, a significant proportion of which related to the use of large sites.⁸³
39. The Home Office initially aimed to deliver up to 10,000 beds in large sites,⁸⁴ and hoped to deliver sites that could accommodate over 1,000 people on land, or 500 people on vessels. By July 2023 the Home Office had launched its large sites accommodation programme, which included four “pathfinder sites”.⁸⁵ Ultimately only two sites would be opened—the Bibby Stockholm and Wethersfield—and only Wethersfield remains in operation. The Home Office made significant losses on the large sites programme, and the Public Accounts Committee found that the Home Office’s approach to setting up large sites at speed led it to making “unacceptable and avoidable mistakes” and failing to protect value for money.⁸⁶ In September 2023, the Home Office spent £15.4 million on the purchase of the Northeye Estate in Bexhill,

81 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation: November 2023 – June 2024](#), October 2024, para 2.17

82 [Q293](#)

83 [Q295](#)

84 Home Office ([AAC0141](#)) para 42

85 National Audit Office, [Investigation into asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2023–24) 635, 20 March 2024, paras 2.10–2.11

86 Public Accounts Committee, Thirty-Fourth Report of Session 2023–24, [Asylum Accommodation and the UK-Rwanda Partnership](#), HC 639, conclusion 2

with the aim of using it as asylum accommodation.⁸⁷ The Northeye site was ultimately deemed unsuitable for use as asylum accommodation, and the Home Office intends to sell or transfer the site.⁸⁸ In September 2024, the Home Office cancelled plans for an asylum accommodation site at RAF Scampton after concluding that the site was not value for money.⁸⁹ The Home Office lost £48.5 million that had been invested in the site.⁹⁰

40. In parallel to the large sites programme, the previous government sought to address the challenges of the asylum system through the removal of asylum seekers to Rwanda. In April 2022, the UK and Rwanda agreed a Migration and Economic Development Partnership with the intention of relocating asylum seekers whose claims had been deemed inadmissible.⁹¹ The Rwanda scheme was delayed by numerous legal challenges. In November 2023, the Supreme Court ruled the scheme unlawful on the grounds that Rwanda was not safe.⁹² In response, the then government introduced the Safety of Rwanda Act, requiring courts to treat Rwanda as a safe country.⁹³ Ultimately, only four volunteers were relocated to Rwanda before the election.⁹⁴ The previous government planned to commence removals to Rwanda after the 2024 General Election, although these were subject to ongoing legal challenges.⁹⁵ After the election, the new Government cancelled the scheme, on the basis that it was not an effective deterrent and not value for money.⁹⁶ The Rwanda scheme ultimately incurred significant financial losses, including £290 million in payments to Rwanda.⁹⁷ The Rwanda scheme absorbed significant Home Office capacity while other functions, such as contract management, remained under-resourced—at its peak, there were 1,000 members of staff working on the scheme.⁹⁸
41. In the last two years the Home Office has increased its focus on contract management. There are now around 120 people working on the management of these contracts—approximately double the number of

87 National Audit Office, [Investigation into the acquisition of the Northeye site for asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2024–25) 305, 15 November 2024, para 3

88 Oral evidence taken by the Public Accounts Committee on 9 December 2024, [Q1](#)

89 Home Office, [Home Office will not use RAF Scampton for asylum accommodation](#), gov.uk, 5 September 2024

90 Home Office, [Annual report and accounts 2024–2025](#), HC 1133, 17 July 2024, p 189

91 Home Office, [Migration and Economic Development Partnership: factsheet](#), gov.uk, 15 November 2023

92 [R \(on the application of AAA and others\) v Secretary of State for the Home Department](#) [2023] UKSC 42

93 [Safety of Rwanda \(Asylum and Immigration\) Act 2024](#)

94 HC Deb, 2 December 2024, [col 43](#)

95 BBC News, [First Rwanda migrant flight delayed until at least 24 July](#), 3 June 2024

96 HC Deb, 22 July 2024, [cols 385–389](#)

97 Home Office, [Annual report and accounts 2024–2025](#), HC 1133, 17 July 2024, p 189

98 HC Deb, 2 December 2024, [col 52](#)

staff working on the contracts in 2023—alongside 10 staff in the Home Office’s wider commercial team.⁹⁹ We questioned why it had taken the Home Office so long to realise it needed to strengthen its capacity to manage contracts that were complex and high value from their inception. The Second Permanent Secretary told us that while the Home Office understood that it needed to increase its capability to manage these contracts, it was only in the last 18 months that the “delivery environment”, made more complicated by the growth in the need for accommodation and the use of hotels, had “stabilised”, enabling the Home Office to focus on driving down costs.¹⁰⁰ All departments need to be sufficiently agile to respond to changing circumstances—it does not reflect well on the leadership of the department that it has taken the Home Office years, rather than months, to begin to adapt to its new circumstances. We were also concerned by senior officials’ lack of understanding of important clauses pertaining to profit clawback provisions within the accommodation contracts,¹⁰¹ which was consistent with what appeared to be an institutional reluctance at senior level to engage with matters critical to the successful negotiation and management of those contracts.

42.

CONCLUSION

We are persuaded by the evidence we have heard that, in the last Parliament, the Home Office focused on pursuing high-risk, poorly planned policy solutions and lost sight of the day-to-day work of effectively managing the asylum accommodation contracts. Failures of leadership at a senior level, shifting priorities, and political and operational pressure for quick results meant that the department was incapable of getting a grip of the situation, and allowed costs to spiral. The Home Office failed to undertake basic due diligence as it tried to respond to increased demand, most notably in the delivery of large sites, and has deprioritised the fundamentals of contract management. The Home Office was undoubtedly operating in an extremely challenging environment, but its chaotic response demonstrated that it was not up to this challenge.

99 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, paras 3.5–3.7

100 [Q298](#)

101 [Qq308–311](#). The Home Office clarified how the profit share clauses work in a letter from the Minister for Border Security and Asylum regarding the evidence session on 10 June, [25 June 2025](#)

43. CONCLUSION

The Home Office was warned repeatedly that it needed to ensure it had adequate commercial and contract management capacity, but did not learn this lesson. Failure to do so left it unprepared to respond to the surge in demand for asylum accommodation. The department's failure to recognise early on that the rapidly expanding value and complexity of the contracts would require additional resource and active management is unacceptable. We welcome the Home Office's more recent capacity building and improvements to contract management, but this has come much too late. Given the department's propensity for reprioritising staff and resources, we are also concerned that effective contract management may be deprioritised over time, risking similar failings as and when the next crisis arises.

44. RECOMMENDATION

The Home Office should set out plans for enhancing and maintaining its commercial and contract management capability, to ensure that it has the skills and resources necessary to effectively manage the delivery of the contracts and control the costs of asylum accommodation. This essential capability should be embedded as a core function of the department's operations, with clear accountability to prevent a decline in operational effectiveness over time. The Home Office should institute a consistent and systematic approach to the performance management of its officials and internal capabilities. Given these contracts will continue to cost vast sums of taxpayer money, the Home Office must ensure it acquires the capacity to manage them in a competent way.

Oversight of provider performance

- 45.** The Home Office monitors the performance of its accommodation providers through nine Key Performance Indicators (KPIs)—which are set out below. Providers report on their performance against KPIs on a monthly basis, and if they fail to meet their KPIs the Home Office can apply financial penalties.¹⁰² The Home Office employs an assurance team, which conducts inspections of accommodation and analyses data on issues and complaints gathered through the Migrant Help helpline.¹⁰³ The National Audit Office found in May 2025 that the Home Office does not measure performance of providers

102 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, paras 2.2, 2.10

103 [Q317](#)

at Wethersfield and Napier Barracks.¹⁰⁴ The Home Office subsequently told us that accommodation providers report performance against the AASC contracts' KPIs for Wethersfield and Napier, but it is negotiating a new KPI regime at Wethersfield.¹⁰⁵ The Home Office also monitors the performance of the AIRE contract delivered by Migrant Help through 16 Key Performance Indicators.¹⁰⁶ We consider the performance of Migrant Help in Chapter Three.

Table 1: Asylum Accommodation and Support Contracts Key Performance Indicators

KPI	Description
1a	Proposing suitable Initial accommodation within the timescale specified by the Home Office
1b	Proposing suitable Dispersed accommodation within the timescale specified by the Home Office
2	Transporting service users to dispersed accommodation within the timescale specified by the Home Office
3	Providing an induction service to people moving into dispersed accommodation
4	Providing transport service to people, where requested by the Home Office
5	Providing accommodation that is safe to live in (free from most severe defects)
6	Providing accommodation that is habitable (free from medium-severity defects)
7	Providing accommodation that is fit for purpose (free from lowest-severity defects)
8	Resolving complaints from people in accommodation within five working days
9	Submitting accurate information to the Home Office within the required timescale

Source: National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, Figure 5

104 The National Audit Office reported in May 2025 that accommodation providers provide monthly performance packs for Wethersfield and Napier Barracks, but these packs do not include any measurements of performance. National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 2.6

105 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

106 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 7

46. According to self-reported performance data, accommodation providers have met most of their performance targets across the course of the contracts, although all three providers have missed targets at various points.¹⁰⁷ As of March 2025, the Home Office applied £4 million worth of penalties to accommodation providers for under-performance.¹⁰⁸ This is less than the maximum level of penalties the Home Office could have applied, and is around 1% of the amount providers made in profits. There may be valid reasons for waiving financial penalties—for example, if performance targets are missed due to circumstances beyond the control of providers—but the Home Office has not explained why it has not imposed the maximum level of penalties. The Home Office has also not consistently applied penalties for missed KPIs, and it has taken the department a long time to begin applying performance related penalties in respect of some providers—the majority of deductions were applied in 2024–25, despite missed KPIs in several previous years.¹⁰⁹ The Home Office does not apply service credits for performance failures at hotels, Wethersfield or Napier Barracks, despite more than 32,000 people being accommodated across these accommodation types, and Home Office inspections finding a higher rate of potential contractual violations at Contingency sites.¹¹⁰
47. The Home Office largely relies on self-reporting by accommodation providers to measure performance, and the department does not have the necessary resources or processes in place to assure this data. The then interim Independent Chief Inspector of Borders and Immigration (ICIBI), David Bolt, told us that the Home Office does not have sufficient capacity or capability to check whether the self-reported performance data is accurate.¹¹¹ The ICIBI found in 2021 that the Home Office’s approach to assurance and oversight of accommodation was inadequate, and that the assurance team was too small. David Bolt told us that the Home Office had not implemented ICIBI recommendations to improve assurance, and that he was not convinced that the changes made by the Home Office to its assurance approach were being done in a way that “would provide any real reassurance”.¹¹²

107 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, paras 2.4–2.5

108 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 2.10

109 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 6, figure 8

110 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

111 [Q43](#)

112 [Q44](#)

48. The Home Office lacks an adequate regime for inspecting asylum accommodation. Dr Lucy Mort, Senior Research Fellow at the IPPR, described the inspection model for asylum accommodation as “fragmented and incoherent”.¹¹³ Inspections are conducted by private providers and the Home Office, and local authorities may do their own inspections in response to particular concerns, but inspection regimes are not joined up. The Independent Chief Inspector of Borders and Immigration (ICIBI) conducts inspections of asylum accommodation, but as part of a wide remit.¹¹⁴ The then ICIBI David Bolt told us that while the ICIBI can conduct inspections and identify issues in accommodation, it cannot provide assurance of provider performance, which must be built into the management of the contracts.¹¹⁵ The Home Office also limits the ICIBI’s access to the asylum accommodation contracts on the grounds of commercial confidentiality, which inhibits the ability of the ICIBI to scrutinise them.¹¹⁶ David Bolt told us this could potentially be rectified by amending the legislation that underpins the role of the ICIBI.¹¹⁷
49. The Home Office has failed to ensure that the service delivered by providers consistently meets the required standards. We received numerous accounts of inadequate conditions and poor service by providers. Megan Smith, a legal aid solicitor at Deighton Pierce Glynn, told us that many of the cases of inadequate or inappropriate accommodation that they had seen “could have been avoided if the contracts were being monitored properly”.¹¹⁸ Where the Home Office has inspected asylum accommodation, it found high rates of potential non-conformance with contractual requirements for one provider—Clearsprings Ready Homes.¹¹⁹ We discuss the evidence in relation to accommodation standards in more detail in Chapter Three.
50. The Home Office told us that it has improved its approach to assurance and oversight of provider performance. The department had more than doubled the size of its inspection team by January 2025, to 63 staff—the team also had 25 vacant roles.¹²⁰ The Home Office also increased the number of inspections conducted, with 3,000 more inspections conducted between April and December 2024 than in the same period in 2023.¹²¹ The department

113 [Q22](#)

114 [Q22](#)

115 [Q46](#)

116 Independent Chief Inspector of Borders and Immigration, [Annual Report for the period 1 April 2020 to 31 March 2021](#), September 2021, p 6

117 [Q48](#)

118 [Q76](#)

119 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

120 Home Office ([AAC0141](#)) para 73, National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 6 May 2025, 7 May 2025, para 3.4

121 Home Office ([AAC0141](#)) para 73

has commissioned an independent audit of performance data reported by private providers, which it expected to conclude in June 2025.¹²² The Second Permanent Secretary, Simon Ridley, told us the Home Office had been managing the contracts “more tightly” and as a result has been able to increase its application of service credits.¹²³ The Home Office also told us there were inherent limits to assurance under the current model—the then Minister told us that the structure of the contracts themselves, which rely upon layers of subcontracting, make it difficult to have a strong handle on the service being delivered at a local level.¹²⁴

51. Despite radical changes in the operation of the contracts, the KPI regime for the asylum accommodation contracts was negotiated in 2019 and has not changed since. Dr Lucy Mort told us the KPI regime led to a “culture of quick fixes”, rather than encouraging the delivery of good-quality accommodation.¹²⁵ These criticisms are not new. The Independent Chief Inspector of Borders and Immigration recommended that the Key Performance Indicators be reviewed, alongside the rest of the contracts, in 2022.¹²⁶ The Independent Commission for Aid Impact concluded in a March 2023 report that the KPIs being used were “outdated” and “not appropriate to ensure that the right outcomes are being reached”.¹²⁷ The Home Office has recognised that the KPI regime has “deficiencies”,¹²⁸ and began a review of the KPI regime in December 2024.¹²⁹ The then Minister expressed surprise that the KPI regime had not changed over the course of the contracts, telling us “I have never come across contracts that have managed to subsist while all around them has changed so dramatically”.¹³⁰ The then Minister told us in June that the Home Office was currently putting proposals for changes to the KPI regime to providers and provider responses were expected imminently.¹³¹ The KPI regime is not appropriate for use at Wethersfield. The Home Office told us in October 2025 that it is drafting a new KPI regime for Wethersfield, as using the existing regime is “not viable”.¹³² The National

122 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 6 May 2025, 7 May 2025, para 2.13

123 [Q319](#)

124 [Q315](#)

125 [Q22](#)

126 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum Accommodation May 2021 – November 2021](#), May 2022 para 3.1

127 Independent Commission for Aid Impact, [UK aid to refugees in the UK: A rapid review](#), March 2023, paras 4.38–4.39

128 Home Office ([AAC0141](#)) para 66

129 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 2.6

130 [Q321](#)

131 [Q322](#)

132 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

Audit Office previously reported that in January 2024 the Home Office was working to develop KPIs at Wethersfield. Over a year and half later, the Home Office has yet to complete this work.¹³³

52.

CONCLUSION

The Home Office has neglected the oversight and assurance of performance of providers delivering multi-billion pound contracts. The department has been over-reliant on self-reporting of performance by providers and failed to invest in the assurance capacity necessary to properly monitor performance. As a result, the Home Office has not been able to monitor effectively whether providers are delivering the standards required by the contracts. The department has strengthened its capacity more recently, and this increased resource is welcome, but we are still not convinced that the Home Office has sufficient oversight of the performance of contract providers to effectively hold them to account.

53.

CONCLUSION

The Home Office has not taken a sufficiently robust approach to applying financial penalties for poor performance by providers. These have been applied late, if at all, with no explanation of why maximum penalties haven't been applied. The Home Office does not financially penalise providers for performance failures at hotels, Napier Barracks and Wethersfield. This is an inexplicable and unacceptable failure of accountability. The department's independent audit of data on performance against KPIs in the asylum accommodation contracts is welcome but long overdue.

54.

RECOMMENDATION

The Home Office should establish a clear process for routinely assuring KPI data submitted by asylum accommodation providers and applying service credits where providers fail to meet the terms of the contract. There should be a clear and transparent framework for decisions about when service credits are applied in full, in part, or waived. Service credits for performance failures should be applied across all types of accommodation. The Home Office should ensure that the inspection and assurance regime is proportionate to the value of the contracts.

133 National Audit Office, [Investigation into asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2023–24) 635, 20 March 2024, para 4.11

55. CONCLUSION
The work of the Independent Chief Inspector of Borders and Immigration (ICIBI) provides essential scrutiny of the delivery of asylum accommodation. The work of the ICIBI does not reduce the need for systematic assurance, but in the absence of adequate oversight by the Home Office, the role of the ICIBI is crucial. The ICIBI does not have access to commercial contracts, which undermines transparency and the ability of the inspectorate to scrutinise the Home Office's approach.

56. RECOMMENDATION
The Independent Chief Inspector of Borders and Immigration should be given access to commercial contracts so they can be properly scrutinised. The legislation underpinning the Inspector's role should be amended if necessary to achieve this.

57. CONCLUSION
The failings in the current performance management regime mean that the Home Office is not able to properly hold its providers to account. The Home Office has had more than enough time to identify and address the deficiencies in the current Key Performance Indicator framework. Given the increased public prominence and growth in the cost of asylum accommodation, it is unacceptable that the performance management regime remains under review, with no substantive changes, more than two years after the Independent Commission for Aid Impact identified shortcomings in the regime.

58. RECOMMENDATION
The Home Office should, as a matter of urgency, agree new KPIs with contract providers. In future the KPI regime should be reviewed regularly to ensure that it remains appropriate and relevant.

Oversight of subcontractors

59. Many services delivered under the asylum accommodation contracts are not delivered directly by the primary provider appointed by the Home Office. The contracts were designed so that "prime" providers would oversee and manage delivery by a network of subcontractors.¹³⁴ This is not unusual for major contracts of this kind, but does raise questions about the Home Office's oversight of the subcontractors actually providing

¹³⁴ Letter from the Minister for Border Security and Asylum on Asylum Accommodation following the evidence session on 10 June, [25 June 2025](#)

asylum accommodation—particularly given concerns about the Home Office’s commercial capacity and capability, and the increased value and complexity of the asylum accommodation contracts.

60. In March 2025, the then Minister for Border Security and Asylum announced that the Home Office was removing a major subcontractor—Stay Belvedere Hotels LTD—from the asylum accommodation supply chain as “significant elements of the behaviour and performance” of Stay Belvedere “fell short of what we would expect from a Government supplier”.¹³⁵ Stay Belvedere had been subcontracted to deliver accommodation by Clearsprings Ready Homes since September 2019,¹³⁶ and was responsible for the delivery of a significant proportion of the asylum accommodation estate—managing 51 hotels and Napier Barracks as of spring 2025.¹³⁷
61. The then Minister for Border Security and Asylum told us that issues in relation to Stay Belvedere were brought to light after an increased audit process. She told us that the department then discovered that Clearsprings “had not been providing an appropriate trail of their contacts with major subcontractors”. The then Minister told us she was not able to provide any more detail about the circumstances surrounding Stay Belvedere Hotels.¹³⁸ The Home Office is now conducting an open audit of subcontracting arrangements, and has begun to undertake further due diligence checks of material subcontractors, to establish if they are of sound financial standing and to determine whether there are any risks or concerns related to these organisations which need to be addressed by the accommodation providers.¹³⁹ We are surprised that this due diligence is only now beginning to take place.
62. In the context of the Home Office’s decision to remove Stay Belvedere Hotels from the supply chain, we asked the then Minister if the Home Office had adequate oversight of who was actually delivering its accommodation. She told us:

I do not think that the contracts [...] were designed to have that level of oversight. They were designed for us to contract with the prime contractor and to leave most of the subcontracting and provision of services across the piece—including transport, food, that kind of

135 HC Deb, 25 March 2025, [col 785](#)

136 Clearsprings Ready Homes ([AAC0146](#))

137 [Q345](#)

138 [Q346](#)

139 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

provision—to our primes, and they could then contract that how they wanted. I do not think that that model does give you from the centre the capacity to have the kind of transparency that I would personally like.¹⁴⁰

63. Opaque and complicated subcontracting arrangements have had a negative impact on the delivery of asylum accommodation. Dr Lucy Mort told us that complicated subcontracting arrangements reduced the Home Office’s oversight of safeguarding issues.¹⁴¹ The Helen Bamber Foundation and Asylum Aid told us that “the sheer number of subcontractors [...] within the asylum accommodation contracts compounds the difficulty inherent in understanding how things should work, both for people housed in asylum accommodation and those supporting them”.¹⁴²

64. **CONCLUSION**

Stay Belvedere Hotels Ltd was operating as a major subcontractor from 2019 onwards, but the Home Office only became aware of issues with the company within the last year. It was only after these issues came to light that the Home Office identified that Clearsprings had not been providing an appropriate level of information about their major subcontractors. We have seen no evidence that the Home Office has maintained adequate oversight of subcontracting arrangements.

65. **RECOMMENDATION**

We recommend that the Home Office reports back to us in its response to this report on the outcome of its audit of asylum accommodation subcontractors and implements a clear process for how it will regularly review significant subcontractors. It should also increase transparency about which companies are responsible for delivering asylum accommodation. In the interests of transparency, the Home Office should write to the Committee as soon as it is able, to provide a full account of the circumstances of the termination of Stay Belvedere Hotels Ltd as a subcontractor.

Provider profits

66. As the number of asylum seekers in Home Office accommodation—and particularly hotels—has risen, there have been understandable concerns about the profits being made by accommodation providers. We asked the National Audit Office if, as part of its investigation of the asylum accommodation contracts, it would examine the profitability of

140 [Q348](#)

141 [Q28](#)

142 Helen Bamber Foundation, Asylum Aid ([AAC0090](#)) para 17

the contracts for providers. We wanted to assess the extent to which the Home Office was protecting the interests of taxpayers as the value of these contracts increased dramatically. The NAO found that the total reported provider profit since the contracts began was £383 million, and the average profit margin was 7%. This margin was at the lower end of initial Home Office estimates—although profit margins varied significantly across contract regions and years, from a 2% loss in Scotland in 2022/23 to a 17% profit in Northern Ireland in the same year.¹⁴³ Profit margins also need to be considered in the context of the estimated value of the contracts increasing by over £10 billion, which means providers will have had significantly higher revenues than anticipated.

- 67.** The Home Office can claw back a percentage of provider profits if they exceed a certain profit margin—profit share clauses like this are commonly included in contracts of this kind.¹⁴⁴ Two of the three providers have exceeded the profit share threshold for at least one of the contracts they manage, meaning the Home Office is able to reclaim a portion of profits. Mears Group told us that they expect to repay approximately £13.8 million to the Home Office, and Clearsprings told us they expect to repay approximately £32 million. Both Mears and Clearsprings said that they had not yet repaid the money, as the Home Office was conducting an audit of provider profits and would only reclaim profits once the audit was completed.¹⁴⁵ The then Minister told us that the Home Office expects these profits will be returned this financial year, once the audit is complete.¹⁴⁶ The Home Office told us in October that it still has not validated the profit data submitted by providers, and expects to do so in the next two months.¹⁴⁷ We asked the Home Office for the financial year when profit reported by providers first exceeded the profit share threshold, to establish how long the department had delayed reclaiming profits. The Home Office told us that it could not share this information until the audit and profit validation is complete.
- 68.** The profit share clause has not been changed since the contracts were set up in 2019, despite rocketing contract values. The profit share clause is triggered when the provider's profit margin reaches a certain percentage threshold, and the higher that percentage is over the threshold, the greater the proportion of profit that can be reclaimed.¹⁴⁸ If, as happened in the case

143 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 2.12

144 Letter from the Minister for Border Security and Asylum on Asylum Accommodation following the evidence session on 10 June, [25 June 2025](#)

145 [Qq136–141](#)

146 [Q300](#)

147 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

148 Letter from the Minister for Border Security and Asylum on Asylum Accommodation following the evidence session on 10 June, [25 June 2025](#)

of the asylum accommodation contracts, the overall value of the contract increases, a company's profits would significantly increase even if the profit margin remains the same.

69. We are concerned that when the basis of the accommodation contracts changed significantly at the outbreak of Covid-19, no thought was given to renegotiating the profit clawback provisions. As the base cost of providing accommodation for each asylum seeker increased, so did the permissible cash profit as a fixed percentage of that cost. The necessity of utilising hotel accommodation—which is around six times more expensive than dispersal accommodation—consequently permitted the providers to increase their profits by the same factor before the profit clawback provision was triggered. This should have been addressed when the basis of the contract changed so dramatically, and whilst, in the midst of Covid-19, there is perhaps some excuse for this issue being lost, it is difficult to understand why, with soaring asylum costs and profits, little if any thought appears to have been given post-Covid to the fact providers had no incentive, and a great disincentive, in moving asylum seekers out of expensive hotel accommodation.

70. **CONCLUSION**

It is extremely disappointing that the Home Office only appears to have started the process for recouping excess profits from accommodation providers in 2024. Accommodation providers told us they had tens of millions waiting to be returned to the Home Office. This money should be supporting the delivery of public services, not sitting in the bank accounts of private businesses.

71. **RECOMMENDATION**

The Home Office should conclude the process of recouping excess profits for past years as quickly as possible and set out the amounts that have been returned to the department by contract providers. The Home Office should put in place an annual process for auditing profit share data submitted by contract providers and recouping any excess profits due. The department should report to Parliament on the outcome of this annual process.

72.

CONCLUSION

Despite provider profit margins being at the lower end of the Home Office's original estimate, the way the profit share clause was designed means that as the value of the contracts has increased, providers have been able to make significantly higher cash profits than was anticipated when the contracts were set up. We are frustrated that the Home Office has left itself without a mechanism to prevent providers making excessive profits as the contract value has increased, largely due to the ongoing use of hotels.

73.

RECOMMENDATION

The Home Office should ensure that profit share clauses in future contracts take account of not just profit margins but also the cash value of profits, so that contract providers cannot benefit so substantially from increased demand for and changes to the type and/or base costs of asylum accommodation.

3 Standards of accommodation and support

Adequacy of accommodation

74. The Home Office is legally required to provide accommodation that is adequate and suitable to people's needs and must consider special needs, such as disability, when doing so.¹⁴⁹ The Home Office passes these requirements on to its suppliers through its accommodation contracts, although the department remains ultimately responsible for the provision of adequate accommodation. Providers are required under their contracts to provide accommodation that is "safe, habitable and fit for purpose" with "appropriate adaptations to meet the needs of Service users".¹⁵⁰ There are three Key Performance Indicators (KPIs) in the contracts relating to the quality of accommodation, all of which relate to requirements for providers to fix defects within certain timeframes.¹⁵¹ These KPIs are the only contractual basis the Home Office has to measure the performance of providers in delivering suitable accommodation, and to penalise them for poor performance. As of June 2025, the providers were providing accommodation to around 103,000 asylum seekers. The majority of these people (around 66,000) were housed in Dispersal Accommodation, while around 32,000 lived in Contingency hotels.¹⁵²
75. The standard of asylum accommodation varies considerably. We received extensive evidence describing poor quality and sub-standard housing across the asylum accommodation estate.¹⁵³ Barnardo's, who deliver support to families in asylum accommodation in Northern Ireland, described issues including "inadequate heating, dampness, rodent infestations, and

149 House of Commons Library, [Asylum support: Accommodation and financial support for asylum seekers](#), Research Briefing 1909, 5 April 2024, p12

150 DEP2018-1112 ([Asylum accommodation and support: schedule 2. Statement of requirements](#)) 1.2.5.4

151 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024-25) 874, 7 May 2025, figure 5

152 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support detailed datasets, year ending June 2025, Table Asy_D09

153 See, for example, Refugee Action ([AAC0009](#)), Mental Health Foundation ([AAC0017](#)), British Red Cross ([AAC0060](#)), Deighton Pierce Glyn ([AAC0134](#)), British Institute of Human Rights ([AAC0016](#)), Helen Bamber Foundation, Asylum Aid ([AAC0090](#))

unresponsive or ineffective maintenance services.”¹⁵⁴ A joint letter from local authority representatives who gave evidence to our inquiry said that councils “continue to share evidence of poor standards across asylum accommodation, including examples of overcrowding, issues with damp and mould, and fire safety concerns.”¹⁵⁵ The Independent Chief Inspector of Borders and Immigration (ICIBI) conducted an inspection of Contingency Accommodation across 2023 and 2024. This found sites were generally clean and habitable, but that the quality of accommodation was extremely variable, in particular regarding the amount of space and privacy available to asylum seekers.¹⁵⁶

76. The evidence we received indicates repeated failures by providers to accommodate the needs of vulnerable people, such as disabled people and young children. Women for Refugee Women shared an example of a blind woman accommodated in a hotel with no lift, who was unable to leave her hotel unassisted as she could not safely walk down the stairs without help.¹⁵⁷ The British Red Cross described pregnant women and new mothers and their babies being placed in inadequate accommodation, including accommodation infested with cockroaches or with severe damp and mould issues.¹⁵⁸ Deighton Pierce Glynn, a law firm that frequently represents asylum seekers, said that the Home Office often recognised that asylum seekers had specific needs, such as vulnerable women requiring same-sex accommodation, but actual provision of this accommodation is delayed by contractors and only provided after the prospect of legal action is raised.¹⁵⁹
77. Accommodation providers told us that they are held to extremely high standards for the quality and maintenance of their properties, to the point that these requirements were a barrier to sourcing new properties.¹⁶⁰ We acknowledge the need for a balance between stringent requirements and expedient procurement of accommodation, especially in challenging housing markets. However, the evidence we received describes cases of accommodation falling significantly below acceptable standards.
78. According to their self-reported KPIs, providers have generally met required timescales for resolving maintenance issues. Performance data from providers showed:
 - Providers have reported zero failures to resolve maintenance issues that would render a property unsafe.

154 Barnardo’s ([AAC0137](#)) Executive summary

155 Local Government Association ([AAC0144](#))

156 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation, November 2023 – June 2024](#), gov.uk, paras 2.34 – 2.36

157 Women for Refugee Women ([AAC0012](#))

158 British Red Cross ([AAC0060](#)) section 3.3

159 Deighton Pierce Glynn ([AAC0134](#)), para 17

160 Serco Ltd ([AAC0099](#)) paras 4.6–4.7, Clearsprings Ready Homes ([AAC0146](#))

- Mears and Serco have reported failures to resolve maintenance issues that would render a property uninhabitable at various points in the contract. Mears reported a total of 442 instances of failures to resolve such issues since September 2021. Serco reported a total of 41 instances of failures to resolve issues that would render a property uninhabitable since September 2021.¹⁶¹ These failures, whilst significant for those affected, represent a small proportion of properties in the context of the whole estate—as of December 2024, Mears and Serco were respectively accommodating around 27,000 and 42,000 people.¹⁶²
- Clearsprings has not reported missing any of its KPIs in relation to maintenance, although its performance data was under dispute for some months at the time of the National Audit Office investigation, where the Home Office and Clearsprings disagreed on the severity of an issue.¹⁶³

79. The Home Office shared data on the rate of “Potential Non-Conformances” with contractual requirements identified in provider accommodation in 2024 through Home Office inspections. A higher level of potential non-conformance was found across Initial and Contingency Accommodation in comparison to Dispersal, for all providers. Despite Clearsprings Ready Homes reporting no failures to meet its maintenance related KPIs, Home Office inspectors found potential non-conformance in 22.22% of Dispersal and 70.85% of Initial and Contingency properties run by Clearsprings that they had inspected, significantly higher than the other two providers.¹⁶⁴ We discussed above that the Home Office lacks the capacity to comprehensively inspect accommodation, so these inspections are unlikely to be identifying all issues. The Independent Chief Inspector of Borders and Immigration found in his 2023–2024 inspection that when assurance visits took place, very few potential non-compliance issues were followed up on.¹⁶⁵ The strength of the evidence of poor quality and unsuitable accommodation, and high level of potential non-conformance found in accommodation operated by Clearsprings, suggests that performance against KPIs does not accurately reflect the standard of accommodation, and there continues to be a failure of accountability regarding the adequacy of accommodation.

161 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 11

162 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 3

163 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 2.5

164 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

165 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation: November 2023 – June 2024](#), October 2024, para 2.22

Figure 7 Outcomes of Home Office inspections of asylum accommodation, 2024

% of property inspections with at least one Potential Non-Conformance

Provider	Dispersal	Initial and Contingency
Clearsprings Ready Homes	22.22%	70.85%
Mears	5.58%	15.46%
Serco	3.53%	17.60%

Note: The Home Office provided information on potential non-conformances. According to the Independent Inspector of Borders and Immigration, issues identified through a site visit would not progress as non-conformances if they were subsequently resolved by the provider within required KPI timeframes.¹⁶⁶ The Home Office did not provide information on the proportion of potential non-conformances resolved within required timeframes.

Source: Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

80.

CONCLUSION

The quality of accommodation is highly variable across the country. While there is clearly accommodation of an acceptable standard, too many asylum seekers continue to be placed in accommodation that is inadequate or deeply unsuitable. The accommodation asylum seekers are housed in should be adequate, and it is unacceptable that significant amounts of taxpayers' money is being used to house often vulnerable people in sub-standard accommodation. The Home Office is ultimately responsible for ensuring asylum seekers are accommodated appropriately, and to fulfil this responsibility the department must hold providers to account where they fail to deliver the service they are being paid for. We have recommended earlier in this report that the Home Office strengthen its approach to performance management and oversight of these contracts. This is essential to ensure that vulnerable people are housed in adequate conditions.

¹⁶⁶ Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation: November 2023 – June 2024](#), October 2024, para 7.16

Large sites and former military barracks

81. The only large site currently in operation is RAF Wethersfield, which can usually accommodate up to 800 people,¹⁶⁷ but the Home Office has temporarily increased the capacity of Wethersfield to 1,245.¹⁶⁸ The Home Office also accommodates asylum seekers at former military barracks at Napier, which can accommodate up to 328 people. The use of large sites and former military barracks was widely criticised in the evidence we received as harmful for asylum seekers.¹⁶⁹ The British Red Cross conducted a needs assessment at Wethersfield on behalf of the Home Office in May 2024, and concluded that large site accommodation was not safe or appropriate, highlighting the high risk of suicide identified at Wethersfield.¹⁷⁰ Braintree District Council described the location of Wethersfield as unsuitable due to its isolation, and the lack of capacity in local services, and told us that there are fundamental problems that remain with the site, including failures to address risks of exploitation, and lack of meaningful activities. The council has said that since opening the site significant improvements to its operation has been made, through work with local partners.¹⁷¹
82. As part of our inquiry, we visited Wethersfield in May 2025. We spoke to local stakeholders who told us that significant improvements had been made to the operation of the site since it was opened. At the opening of the site, the priority was ensuring that the site became operational—only more recently had focus shifted to ensuring that accommodation and support was delivered effectively. One of the most consequential developments on the site was the introduction of on-site asylum interviews. Previously, all asylum seekers were required to travel significant distances for their interviews. Providing interviews onsite was both more efficient and contributed to the wellbeing of the men we met onsite. During our visit we met asylum seekers who were happy with the accommodation and provision at Wethersfield, and other asylum seekers who were very unhappy being accommodated at the site. It is clear that significant progress has been made at the site, and that lessons have been learned about how best to manage accommodation for large numbers of asylum seekers. It took the Home Office an unacceptably long time to learn these lessons, especially given its previous

167 Home Office ([AAC0141](#)), paras 43–44

168 Braintree District Council, [Updates: Wethersfield Airfield Asylum Accommodation](#) (accessed 1 September 2025)

169 For example, Freedom from Torture ([AAC0128](#)), Asylum Matters ([AAC0034](#)), Médecins Sans Frontières/Doctors Without Borders ([AAC0127](#)) section 3

170 British Red Cross ([AAC0060](#)) section 4.1

171 Braintree District Council ([AAC0088](#))

experience of operating Napier Barracks. The Home Office still does not have an agreed set of Key Performance Indicators to monitor performance at Wethersfield, despite having ample time to put this in place.¹⁷²

83. We heard from local officials and third-sector workers that large sites can attract considerably more public attention and concern than smaller sites, even if they are working better. We were told that the number of local complaints, local and national media coverage, reports and FOI requests are significantly higher for large sites, and this correspondingly takes up officers' capacity in dealing with them.

The impact of hotels

84. While there are problems across all forms of asylum accommodation, it is clear that there are particular harms associated with accommodating people in hotels for long periods of time. The Home Office told us that the average length of stay in Initial or Contingency Accommodation (which are usually hostels or hotels) was under 4 months,¹⁷³ but there are individuals who have been living in hotels for much longer—we met asylum seekers who told us they had been living in a hotel for well over a year.
85. The growth in hotel use drove an increase in mental health concerns, threats of self-harm, and reports of unrest and anti-social behaviour received by Migrant Help through their helpline.¹⁷⁴ Charities and researchers described lack of privacy, inadequate food, overcrowding, limited communal areas, and lack of autonomy associated with hotels harming the mental and physical health of residents.¹⁷⁵ Women for Refugee Women told us that hotel accommodation is particularly harmful for women—who will often be survivors of gender-based abuse—citing isolation, restrictions in hotels such as curfews, and examples of mistreatment by hotel staff.¹⁷⁶ Children in hotel accommodation are particularly negatively affected—Dr Ilona Pinter of the London School of Economics found in her research that parents struggled to meet their children's needs when in Initial and Contingency Accommodation.¹⁷⁷ As of March 2025, around 5,000 children were living in Contingency hotels.¹⁷⁸

172 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

173 Home Office ([AAC0141](#)) para 14

174 Migrant Help ([AAC0129](#)) Requests for Assistance

175 Dr Charlotte Sanders ([AAC0032](#)), Refugee Action ([AAC0009](#)) paras 23–24, Miss Olivia Petie, Professor Jenny Phillimore ([AAC0113](#)) para 3, Greater Manchester Immigration Aid Unit ([AAC0052](#)) para 6

176 Women for Refugee Women ([AAC0012](#))

177 Dr Ilona Pinter ([AAC0131](#))

178 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

86. Asylum seekers are also too often accommodated in hotels in inappropriate locations, such as at motor service stations and in isolated rural locations with limited services.¹⁷⁹ The Convention of Scottish Local Authorities (COSLA) told us that the location of Contingency Accommodation was crucial to its suitability, with Contingency Accommodation in remote areas a significant challenge due to lack of third sector support.¹⁸⁰ We saw during our visits to hotel sites the impact that the use of hotels in inappropriate places had, increasing isolation for residents and creating greater pressures on limited local services.

87. There is a high reliance on the unfunded work of local partners—whether these are local authorities, or local charities and NGOs—in order for the basic needs of asylum seekers to be met. The contracts require providers to deliver housing and, in catered accommodation, food, but do not include the provision of clothing, integration support or meaningful activities. These needs are often met by the voluntary and community Sector or by councils.¹⁸¹ The South East Strategic Migration Partnership told us that the unfunded support delivered by charities and councils was particularly important in alleviating tensions in Contingency hotels.¹⁸² We discuss the impact that the use of hotels, and the disproportionate distribution of asylum accommodation, has on local services and community cohesion in Chapter Four.

88. **CONCLUSION**

Long stays in inappropriate hotels are often deeply harmful to the people accommodated there. Local services are left to respond to these impacts and fill the gaps where the basic needs of asylum seekers are not being met. The use of hotels has at times had a significant impact on community cohesion, which cannot be underestimated. The closure of hotels should therefore help reduce the number of cases where asylum seekers are placed in inappropriate accommodation, and ease local tensions.

179 British Red Cross ([AAC0060](#)) section 4

180 Convention of Scottish Local Authorities ([AAC0124](#)) para 9

181 East of England Strategic Migration Partnership ([AAC0077](#)), Essex County Council ([AAC0065](#)), British Red Cross ([AAC0060](#)) section 3.5

182 South East Strategic Partnership for Migration ([AAC0075](#)) section 3

89.

RECOMMENDATION

When planning the closure of the hotels, the Home Office should prioritise the closure of manifestly unsuitable hotels—such as those in remote areas and near limited infrastructure—that cause the most harm to their residents and place the most pressure on local services, and also the closure of hotels in areas that have experienced significant community cohesion issues. The Home Office should work with local partners to develop a prioritisation process to support the early closure of the least suitable hotels.

Communication with asylum seekers

90. Providers of asylum accommodation all too often fail to communicate effectively with asylum seekers. The British Red Cross told us that the asylum seekers they support frequently report “inadequate or inconsistent communication” from providers.¹⁸³ The asylum accommodation contracts place requirements on accommodation providers, and on Migrant Help, to provide induction and ‘move in’ briefings to asylum seekers, to orientate them and help them understand the asylum support system.¹⁸⁴ This process is clearly not adequate for at least some asylum seekers—Refugee Action told us that there was “widespread misinformation” among people in the asylum system, who often do not understand Home Office policies, leaving asylum seekers to turn to their peers for information.¹⁸⁵
91. Communication from providers can be especially poor when asylum seekers are moved between accommodation sites. Asylum seekers do not get to choose where they are accommodated and may be moved between sites.¹⁸⁶ These moves happen frequently and are often distressing, destabilising and disruptive, especially for children, who are forced to move schools, and those accessing medical care or other specialist support.¹⁸⁷ Communication around such moves is often poor, with asylum seekers being moved at extremely short notice,¹⁸⁸ and in some cases not being told their destination.¹⁸⁹ The British Red Cross shared an example reported by their

183 British Red Cross ([AAC0060](#)) section 3.2

184 DEP2018-1112 ([I. Asylum accommodation and support: schedule 2. Statement of requirements. II. Advice, issue reporting and eligibility support: schedule 2. Statement of requirements](#))

185 Refugee Action ([AAC0009](#)) para 30

186 UK Visas and Immigration, [Allocation of asylum accommodation policy](#), gov.uk (accessed 3 October 2025)

187 Dr Emmaleena Käkelä, Professor Daniela Sime ([AAC0037](#)) section 1, Sayna Nikeategahad ([AAC0039](#)), Freedom from Torture ([AAC0128](#))

188 East Midlands Councils ([AAC0072](#)), Barnardo’s ([AAC0137](#)) para 4.1.4

189 Freedom from Torture ([AAC0128](#))

caseworkers of an asylum seeker and her daughter woken in the middle of the night and moved to a new hotel, without being informed of their destination.¹⁹⁰

92. Poor communication is not universal across the asylum estate. We recognise that there are examples of providers communicating well and providing good support to asylum seekers, including supporting orientation and access to local services.¹⁹¹

93. **CONCLUSION**

Communication with asylum seekers is inconsistent and often inadequate. Communication can be particularly poor when asylum seekers are moved between accommodation sites, which can happen with practically no notice.

94. **RECOMMENDATION**

We recommend that the Home Office sets clear standards for providers to communicate with asylum seekers about their accommodation and support, including minimum notice periods for moving asylum seekers to new accommodation. The department should regularly monitor provider practices to ensure these standards are being met and take corrective action where necessary.

The Advice, Issue Reporting and Eligibility (AIRE) service

95. The Advice, Issue and Eligibility (AIRE) service delivers information, advice and support at various points to individuals navigating the asylum system. The service was commissioned at the same time as the asylum accommodation contracts, and is delivered by Migrant Help, a registered charity. As part of the service Migrant Help delivers a 24/7 phone line and webchat that is the single point of contact for asylum seekers to raise issues, feedback and complaints in relation to their accommodation, their financial support, and their interactions with the Home Office.¹⁹² Migrant Help will pass reported issues to the relevant accommodation provider, the payment card provider or the Home Office, as appropriate, so these can be actioned. Issues raised through Migrant Help will vary in nature and severity, from maintenance issues to safeguarding concerns.¹⁹³

190 British Red Cross ([AAC0060](#)) section 2.2

191 British Red Cross ([AAC0060](#)) section 3.9

192 Migrant Help ([AAC0129](#))

193 Migrant Help ([AAC0129](#))

96. Under the previous asylum accommodation contracts, which ran from 2012–2019, asylum seekers had to raise issues and complaints regarding accommodation directly with accommodation providers. Our predecessor committee heard that under this system asylum seekers were met with disbelief and hostility when making complaints to accommodation providers, and often lacked confidence to make complaints.¹⁹⁴ The current AIRE service provides a route for asylum seekers to raise issues and complaints that is independent of both asylum accommodation providers and the Home Office.¹⁹⁵ Issues and complaints made through the Migrant Help helpline are also used by the Home Office to support the department’s oversight and assurance of asylum accommodation.¹⁹⁶

Performance

97. The demand for Migrant Help’s service has been significantly higher than anticipated and has grown year on year since the contract started. The call volumes received by Migrant Help have exceeded the highest initial predictions by the Home Office by about seven-fold, with Migrant Help receiving around 80,000–90,000 calls in a month.¹⁹⁷ The high level of demand is a result of the dramatic increase in the number of asylum seekers being accommodated, and the much greater use of Contingency Accommodation, which was not anticipated at the start of the contract.
98. Migrant Help has struggled to meet the increase in demand. Under their contract, Migrant Help are required to answer 90% of calls within one minute. They have consistently failed to meet this requirement, even when—between December 2022 and December 2023—the requirement was relaxed to answering 80% of calls within ten minutes. Migrant Help has also consistently failed to meet targets for connecting callers to an advisor.¹⁹⁸ Long wait times have made contacting Migrant Help challenging, especially for vulnerable asylum seekers.¹⁹⁹ This has led to delays in issues and concerns being resolved,²⁰⁰ and left asylum seekers reluctant to use the service.²⁰¹ Caroline O’Connor, the CEO of Migrant Help, acknowledged they had struggled to scale up the service:

194 Home Affairs Committee, Twelfth Report of Session 2016–17, [Asylum Accommodation](#), HC 637, paras 77–78

195 National Audit Office, [Asylum accommodation and support](#), 3 July 2020, para 2.12

196 [Q317](#)

197 [Qq393, Q409](#)

198 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, paras 2.8–2.9

199 North East Migration Partnership ([AAC0083](#))

200 Welsh Refugee Council ([AAC0061](#))

201 Durham County Council ([AAC0063](#)) Asylum Welcome, Refugee Support Group Berkshire, Oxford Brookes’ Migration and Refugee Network ([AAC0122](#))

I think some balls would have dropped. We did not scale up as fast as we would have liked and it was very difficult to scale up at that pace in the middle of the pandemic and to train new people to be competent and to deal with people with the expertise and the speed needed.²⁰²

99. The changing operating model for asylum accommodation has made it harder for Migrant Help to deliver their services. The contracts were designed on the premise that all new arrivals would be housed in Initial Accommodation centres, where Migrant Help have staff to provide initial inductions. Large numbers of asylum seekers are now initially accommodated in hotels, where inductions are delivered remotely. Migrant Help told us that it could be extremely challenging to reach people remotely, especially those without phones, to deliver inductions in the required timescales.²⁰³ The pandemic and resulting growth in hotel use led to Migrant Help receiving an increasing proportion of calls from individuals needing welfare support, rather than straightforward issue reporting, which was not within the scope of the original contract.²⁰⁴
100. Greater demand for the AIRE service has increased the cost of the contract to the Home Office, although the cost has not increased at the same scale as the accommodation contracts. The Home Office estimates that it will spend £385 million on the AIRE service over the ten-year life of the contract,²⁰⁵ compared to an original estimate of £235 million.²⁰⁶ Pricing for the AIRE contract is divided into a management fee and volume-based payment for the services being delivered, with the provider being paid for the actual number of activities—such as giving advice or reporting issues—that they perform.²⁰⁷ The management fee is fixed except for inflation—Migrant Help told us that the management fee currently represents 12% of their total revenue from the contract, compared to approximately 35–40% of revenue based on the original bid.²⁰⁸ This will have challenged Migrant Help’s capacity to deliver the supervisory and management elements of the contract. Migrant Help has also experienced an increase in the number of calls that do not relate to a specific service in the AIRE contract—such as welfare calls—which they do not receive funding to answer.²⁰⁹

202 [Q394](#)

203 Migrant Help ([AAC0129](#))

204 [Q393](#)

205 [Q338](#)

206 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 2

207 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, figure 2

208 [Q438](#)

209 [Q393](#)

- 101.** Migrant Help told us that they have taken steps to improve their performance and meet the needs of asylum seekers, including increasing their staffing,²¹⁰ investing in improved data base and telephony infrastructure,²¹¹ and investing charitable funds in projects to support the broader welfare and wellbeing of asylum seekers.²¹² The Home Office told us that they have worked with Migrant Help to try and ensure people can access the helpline as quickly as possible and that Migrant Help was making progress in reducing call waiting times, and was close to reaching its target for answering calls within one minute.²¹³ The Home Office has also applied financial penalties to Migrant Help in relation to their performance.²¹⁴ Given the service has continued to miss key targets, we are not convinced that the Home Office has taken sufficient action to address the performance of Migrant Help. In Chapter Two, we found the Home Office’s approach to the oversight and monitoring of accommodation provider performance to be inadequate—the department’s approach to the management of Migrant Help is similarly lacking.
- 102.** The current performance management regime for the AIRE contract, while identifying issues with delays in service delivery, does not do enough to encourage the delivery of a quality service. The AIRE service KPIs are highly quantitative, focusing on the volume and speed of service delivered, and do not reflect the quality of the service or outcomes for services users.²¹⁵ It is imperative that the AIRE service meets demand in quantitative terms, so that individuals do not face significant delays accessing the service, but the performance management regime should also incentivise and reward good quality support and advice.
- 103.** The structure of the current AIRE contract does not deliver the end-to-end service needed to ensure issues raised by asylum seekers are acted on as required. Migrant Help is the single point of contact for asylum seekers to raise issues, concerns and complaints in relation to their accommodation and support and is required to pass on issues, maintenance requests and urgent requests for help (including safeguarding issues) to providers within specified timeframes. Migrant Help is usually not responsible for resolving the issues themselves—this will usually lie with the Home Office or the accommodation provider. While they need to work closely together, there is no contractual relationship between Migrant Help and the accommodation providers—there is no requirement for providers to update Migrant Help on the resolution of maintenance issues, and Migrant Help is not required

210 [Q394](#)

211 [Q397](#)

212 [Q393](#)

213 [Qq326–327](#)

214 [Q403](#)

215 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 2.8

to follow up on maintenance issues. Likewise, there is no requirement for providers to update Migrant Help on the outcomes of urgent requests for assistance that are raised with them.²¹⁶ Migrant Help describes itself as “simply a reporting function” and maintains that the contract is not designed for it to fix issues.²¹⁷

- 104.** Despite the introduction of a single point of contact, it remains extremely difficult for asylum seekers to raise issues or complaints, and to see them resolved.²¹⁸ Refugee Action told us that asylum seekers often experience a “bouncing ball” effect when raising concerns, being “redirected repeatedly between housing providers and other stakeholders such as Migrant Help, with no resolution or repairs made”.²¹⁹ This was echoed by Megan Smith, solicitor at Deighton Pierce Glynn, who told us issues were often only resolved after pre-action letters have been sent to the Home Office.²²⁰ Local authorities report a lack of co-ordination between accommodation providers and Migrant Help, meaning issues raised by asylum seekers can fall between the gaps.²²¹
- 105.** There are elements of advice and support that may be delivered more effectively, and with better value for money, at a local level. In practice, much of the support and orientation for asylum seekers falls to local services, especially the voluntary and community sector, due to the limited nature of the support provided by Migrant Help and accommodation providers.²²² Local authorities highlighted the importance of support, particularly in the context of asylum seekers who have received a decision and are moving on from asylum accommodation.²²³ Migrant Help is contracted to provide a ‘move on’ service, but this service is limited. Migrant Help’s CEO suggested the removal of this support element from the remit of the AIRE service, as a potential way to reduce costs.²²⁴ We have heard evidence that local authorities would be better placed to offer move on support than a national service, due to their knowledge of the local area and services.²²⁵ It is important to ensure consistency of support and communication with asylum seekers as they are moved across the country,

216 Migrant Help ([AAC0129](#))

217 [Q403](#)

218 For example, JustRight Scotland ([AAC0068](#)), Asylum Welcome, Refugee Support Group Berkshire, Oxford Brookes’ Migration and Refugee Network ([AAC0122](#)), Micro Rainbow ([AAC0105](#))

219 Refugee Action ([AAC0009](#)) para 31

220 [Q77](#)

221 West Midlands Strategic Migration Partnership ([AAC0125](#))

222 Durham County Council ([AAC0063](#))

223 Local Government Association ([AAC0144](#)) section 5

224 [Q444](#)

225 West Midlands Strategic Migration Partnership ([AAC0125](#)), London Councils ([AAC0104](#)) section 2.3

which means there are elements of the service—such as the helpline itself—that benefit from being delivered nationally, but there are clearly elements that could be delivered more effectively at a local level.

- 106.** The Home Office is currently considering the model of provision for both asylum accommodation and support and is piloting various approaches with local authorities.²²⁶ We are encouraged to hear that new approaches to support are being explored, but the Home Office also needs to take action to address the defects in the current system.

107. CONCLUSION

The Advice, Issue Reporting and Eligibility Contract (AIRE) service delivered by Migrant Help has not been able to meet demand, and the Home Office has failed to effectively manage the performance of the service. We recognise that Migrant Help has delivered the service in a very difficult operating environment. However, given the critical nature of this service, in both ensuring asylum seekers are able to raise issues and secure advice through the asylum process, and in enabling the Home Office to have oversight of its accommodation providers, it is essential that the Home Office ensures an adequate service is delivered.

108. RECOMMENDATION

The Home Office should take urgent action to address the performance of Migrant Help. If Migrant Help is unable to fulfil the Advice, Issue Reporting, and Eligibility (AIRE) contract to an acceptable standard, the Home Office should find an alternative provider or consider alternative ways of delivering the essential services provided under this contract.

109. CONCLUSION

Migrant Help is not contracted to follow up on or monitor issues and does not have sight of the response from providers and the Home Office. This creates a significant gap in accountability. We recognise the value of enabling asylum seekers to raise concerns separately from accommodation providers and the Home Office itself. However, to ensure that concerns are addressed appropriately this system must have appropriate mechanisms for follow up and end-to-end oversight of issues and complaints. These do not currently exist.

110. CONCLUSION

While we recognise the value of having an independent, national reporting mechanism for issues with asylum accommodation, we are not convinced that all elements of this service should be delivered through a centralised system. It was therefore encouraging to hear that the Home Office is considering more localised models for the delivery of support.

111. RECOMMENDATION

We recommend that the Home Office reviews the structure and remit of the AIRE service, to identify changes that could be made to ensure the service delivers what is required. The Home Office should report back to us on the outcome of its consideration of how the advice and issue reporting system can best be delivered in the future. This should include an assessment of opportunities for delivering elements of this service at a local level, and possible mechanisms for follow up and end-to-end oversight of issues and complaints raised by asylum seekers.

Safeguarding

- 112.** The Home Office is required under the Borders, Citizenship and Immigration Act 2009 to carry out its functions in a way which takes into account the need to safeguard and promote the welfare of children in the UK.²²⁷ When providing accommodation and support, the Home Office is also required to take into account the special needs of asylum seekers and their dependents who are vulnerable (such as children, pregnant women, disabled people and victims and survivors of torture).²²⁸ Local authorities hold the main duties for safeguarding children and vulnerable adults in their area, and the Home Office and its providers need to work with local authorities and other statutory partners on safeguarding issues.²²⁹
- 113.** Accommodation providers are under contractual requirements to support the safeguarding of people in their accommodation. Providers must proactively monitor the circumstances of their service users, visiting each accommodation site at least once a month; ensure their staff are adequately trained on safeguarding issues; and report serious safeguarding incidents to the Home Office, the AIRE provider, the relevant local authority and, where necessary, the police.²³⁰ The Home Office operates a centralised

²²⁷ [Borders, Citizenship and Immigration Act 2009](#), section 55

²²⁸ [The Asylum Seekers \(Reception Conditions\) Regulations 2005](#), SI 2005/7, reg 4

²²⁹ House of Commons Library, [An overview of child protection legislation in England](#), Research Briefing 6787, 3 May 2024, p 4, Department for Health and Social Care, [Care and support statutory guidance](#), gov.uk (accessed 22 August 2025), chapter 14

²³⁰ DEP2018-1112 ([I. Asylum accommodation and support: schedule 2. Statement of requirements](#)), 4.4.3

Safeguarding Hub, which triages safeguarding referrals,²³¹ and each provider has its own safeguarding team. Safeguarding concerns can be raised via the AIRE helpline delivered by Migrant Help. Migrant Help are responsible for notifying accommodation providers and the Home Office if they believe an individual is at risk, or has specific needs, and for escalating urgent safeguarding concerns to accommodation providers. Migrant Help will also signpost clients to support and will contact emergency services or make referrals to the relevant local authority. The Home Office, AASC providers and Migrant Help all participate in monthly calls to discuss the management of complex cases.²³²

114. We heard extensive evidence describing inadequacies and inconsistencies in the safeguarding of vulnerable people within asylum accommodation, including slow responses to serious safeguarding issues and asylum seekers feeling unsafe in their accommodation.²³³ Female survivors of gender-based violence and children with families have been placed in mixed-sex accommodation where they had to share communal spaces with unrelated men.²³⁴ Vulnerable individuals with serious mental health problems had been placed in unsuitable accommodation that has made them more unwell.²³⁵ Referrals have been delayed until individuals reached the point of crisis.²³⁶ We have also received reports of asylum seekers experiencing abuse and harassment in their accommodation.²³⁷
115. There are examples of accommodation provider staff responding effectively and proactively to safeguarding concerns but this is far from consistent across the estate.²³⁸ The British Red Cross reported that its casework teams regularly received limited or non-existent responses to safeguarding concerns.²³⁹ Multiple organisations raised doubts about the level of safeguarding training provided to asylum accommodation staff,²⁴⁰ and asylum accommodation providers have failed to provide evidence of adequate staff training when this has been requested.²⁴¹

231 National Audit Office, [The Home Office's asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 3.8

232 Migrant Help ([AAC0129](#))

233 Freedom from Torture ([AAC0128](#)), Helen Bamber Foundation, Asylum Aid ([AAC0090](#)) para 44, Baobab Centre for Young Survivors in Exile ([AAC0041](#)), Local Government Association ([AAC0144](#)) section 3

234 Rape Crisis England and Wales, Imkaan ([AAC0043](#))

235 British Red Cross ([AAC0060](#)) section 2.5

236 [Q110](#)

237 Miss Olivia Petie, Professor Jenny Phillimore ([AAC0113](#)) para 16, Freedom from Torture ([AAC0128](#)), Micro Rainbow ([AAC0105](#)), London Councils ([AAC0104](#)) section 1.6

238 Devon County Council ([AAC0028](#)), South East Strategic Partnership for Migration ([AAC0075](#)) section 6

239 British Red Cross ([AAC0060](#)) para 2.2

240 East Midlands Councils ([AAC0072](#)), Rape Crisis England and Wales, Imkaan ([AAC0043](#))

241 [Q108](#)

- 116.** Organisations supporting asylum seekers can find it extremely difficult to escalate safeguarding issues, largely due to unclear escalation pathways.²⁴² There is a lack of clarity about the roles and responsibilities of providers, the Home Office and statutory partners, which has undermined the delivery of effective safeguarding arrangements.²⁴³ Clearsprings Ready Homes told us that the current contractual requirements on providers in relation to safeguarding do not reflect the provision required to safeguard people in their accommodation.²⁴⁴ Vulnerable people in Home Office accommodation have been put at risk by this lack of clarity in roles and responsibilities.
- 117.** The Home Office is not effectively collecting or sharing the necessary information to ensure that individuals are kept safe and placed in appropriate accommodation.²⁴⁵ Accommodation providers receive variable and limited information about the individuals they are required to house, including factors that may make them vulnerable, or indicate that they may pose risks to other residents and staff. This prevents accommodation providers from effectively managing risks.²⁴⁶ We heard repeatedly that inadequate information sharing with local authorities has made it harder for them to address safeguarding concerns.²⁴⁷ Information about vulnerabilities appears to be lost or forgotten as people are moved across the estate, leading to individuals with known vulnerabilities being placed in inappropriate accommodation.²⁴⁸
- 118.** The Home Office does not have the capacity to oversee and assure the performance of providers delivering its accommodation, and this extends to oversight of safeguarding arrangements.²⁴⁹ The department has extremely limited oversight of safeguarding in hotels, with arrangements left instead to the provider managing the hotel.²⁵⁰ Although providers have contractual requirements in relation to safeguarding, there are no KPIs to measure provider performance on safeguarding and no contractual penalties associated with failing to meet safeguarding requirements. The Home Office receives safeguarding referrals through its safeguarding hub, which should

242 British Red Cross ([AAC0060](#)) section 2.3, Freedom from Torture ([AAC0128](#)), North West Regional Strategic Migration Partnership ([AAC0111](#))

243 East of England Strategic Migration Partnership ([AAC0077](#)), Convention of Scottish Local Authorities ([AAC0124](#)) para 15, East Midlands Councils ([AAC0072](#))

244 Clearsprings Ready Homes ([AAC0146](#))

245 [Q50](#)

246 Clearsprings Ready Homes ([AAC0146](#))

247 West Midlands Strategic Migration Partnership ([AAC0125](#)), Welsh Local Government Association ([AAC0133](#)) para 30, Migration Yorkshire ([AAC0107](#))

248 [Q84](#)

249 Local Government Association ([AAC0144](#)) section 3, [Q95](#)

250 [Q54](#)

provide it with a valuable source of information, but the department does not consistently produce the data needed to identify trends or consistently monitor the outcomes of referrals made to it.²⁵¹

119. The Home Office has acknowledged that there are “poor hand-offs between organisations” in relation to safeguarding, and this was part of the reason the safeguarding hub had been created.²⁵² Second Permanent Secretary, Simon Ridley, told us that the department had been working with the Local Government Association to make sure everyone was clear about the roles and responsibilities between different parties, because safeguarding was so complicated and challenging. Local authorities told us that they would like to see “greater urgency” given to this joint work on safeguarding.²⁵³

120. **CONCLUSION**

We are deeply concerned by the volume of evidence indicating significant safeguarding failings in asylum accommodation. While there are evidently pockets of localised good practice, the response to safeguarding concerns is inconsistent and often inadequate, leaving vulnerable people at risk of harm. We are particularly concerned that the Home Office does not currently have adequate understanding and oversight of vulnerabilities and potential safeguarding issues among asylum seekers it accommodates. While accommodation providers have safeguarding requirements, performance on safeguarding is not measured and failure to meet these requirements does not lead to financial penalties for providers. It is essential that the Home Office works to ensure that vulnerable people in its accommodation are safeguarded and that providers are upholding safeguarding standards.

121. **RECOMMENDATION**

We recommend that the Home Office strengthens its approach to safeguarding by:

- a. Ensuring that there is a robust framework for overseeing and auditing how safeguarding policies and processes are applied on the ground by contractors and subcontractors;
- b. Ensuring that staff working directly with asylum seekers receive adequate safeguarding training;

251 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, paras 3.8–3.10

252 [Q343](#)

253 Local Government Association ([AAC0144](#)) section 3

- c. Setting performance measures for safeguarding in the contracts, which allow the department to penalise providers who fail to meet safeguarding standards;
- d. Urgently reviewing its processes for identifying risks and vulnerabilities and sharing these with accommodation providers and statutory partners; and
- e. Using the data it receives through the Safeguarding Hub to more proactively monitor safeguarding concerns, including outcomes of incidents and referrals.

Unaccompanied Asylum-Seeking Children

- 122.** The Home Office is responsible for accommodating adults and families seeking asylum. Responsibility for accommodating Unaccompanied Asylum-Seeking Children falls to local authorities, not the Home Office, and Unaccompanied Asylum-Seeking Children should not be housed in adult asylum accommodation. Where the Home Office identifies an Unaccompanied Asylum-Seeking Child, they will be referred to the relevant local authority. Arrangements are in place for Unaccompanied Asylum-Seeking Children to be transferred from the local authority area where they first arrive to other areas, to avoid creating unmanageable pressures in local authorities where large numbers of asylum seekers initially make a claim.²⁵⁴
- 123.** The age of asylum seekers may be disputed if they are unable to provide documentary evidence of their age. This includes cases where an individual claims to be a child, but is suspected to be an adult, or claims to be an adult but is suspected to be a child. It is extremely difficult to precisely determine age. Home Office guidance states that “in the absence of valid documentary evidence of age, there is no single age assessment technique or combination of techniques which can determine the precise chronological age of the child”.²⁵⁵ The Association of Directors of Children’s Services Age Assessment guidance states that in many cases it will not be possible to definitely know the age of a child or young person.²⁵⁶ If the age of an asylum seeker is in doubt, the Home Office conducts initial assessments of their age. Most initial age decisions are made in relation to arrivals via small

²⁵⁴ UK Visas and Immigration, [National transfer scheme protocol for unaccompanied asylum seeking children](#), gov.uk, version 8.0 (accessed 3 October 2025)

²⁵⁵ Home Office, [The operation of the National Age Assessment Board and sections 50 and 51 of the Nationality and Borders Act 2022](#), gov.uk (accessed 15 September 2025)

²⁵⁶ Association of Directors of Children’s Services, [Age Assessment Guidance](#), October 2015, p 33

boats, taking place shortly after individuals arrive at Western Jet Foil.²⁵⁷ This initial assessment is not the same as a full ‘Merton age assessment’.²⁵⁸ Home Office officials will make a decision about whether to treat the claimant as a child, treat the claimant as a child provisionally pending a full assessment of their age, or treat the claimant as an adult. Claimants treated as a child will be referred to the relevant local authority, who may then conduct a full age assessment, while claimants treated as adults will usually move into adult accommodation. Incorrectly determining the age of an asylum seeker poses serious risks, of either treating a child as an adult and placing them in an adult setting, or, conversely, placing an adult in a children’s setting.

- 124.** An individual who claims to be a child may be treated as an adult if two Home Office members of staff have independently assessed that the claimant is over 18 “because their physical appearance and demeanour very strongly suggests that they are significantly over 18 years of age and there is little or no supporting evidence for their claimed age”. Home Office guidance is clear that where there is uncertainty about whether an individual is a child, the benefit of the doubt should be applied and they should be treated as a child pending a full age assessment.²⁵⁹ We received evidence from organisations expressing doubt at the quality of the Home Office’s initial decisions on age. Local authorities are seeing high numbers of age disputes raised within Contingency Accommodation, and a significant proportion of these disputes considered by local authorities are assessed as children and taken into local authority care.²⁶⁰ The placement of children in adult accommodation, where room sharing is mandatory, creates significant risks.²⁶¹
- 125.** The Independent Chief Inspector of Borders and Immigration (ICIBI) recently investigated the Home Office’s use of age assessments, and found significant failings. The ICIBI found that while some initial decisions made at Western Jet Foil were detailed and well reasoned, inspectors also saw decisions that relied on “generic physical characteristics and conclusions

257 Independent Chief Inspector of Borders and Immigration, [An inspection of the Home Office’s use of age assessments July 2024 – February 2025](#), July 2025, para 1.5

258 Full age assessments in the case of disputed age must be carried out by local authorities or the National Age Assessment Board. These age assessments must comply with the principles set out in case law, including notably the High Court decision in [R V London Borough of Merton \[2003\] EWHC 1689](#), in order to be lawful. For example, age assessments should be undertaken by two qualified social workers who have received appropriate training. Association of Directors of Children’s Services, [Age Assessment Guidance](#), October 2015 p 58 to 60.

259 UK Visas and Immigration, [Assessing Age](#), gov.uk, version 11.0 (accessed 14 October 2025)

260 Convention of Scottish Local Authorities ([AAC0124](#)) para 17, South East Strategic Partnership for Migration ([AAC0075](#)), East Midlands Councils ([AAC0072](#)), Greater Manchester Combined Authority ([AAC0070](#))

261 British Red Cross ([AAC0060](#)) section 2.6

about demeanour that were open to interpretation” and decisions focused excessively on claimant credibility. ICIBI staff were told that it was not possible to assure the quality of initial decisions, as they are “opinion” and officials said there was nothing to learn from cases of local authorities disagreeing with the outcome of initial age assessments.²⁶² The Home Office has accepted all of the recommendations made by the Independent Chief Inspector of Borders and Immigration made in this report.²⁶³

126. It is essential that accommodation providers have appropriate processes and training to respond to age disputes raised by asylum seekers in their accommodation, and ensure that the necessary referrals are made to the relevant local authority. We heard that providers’ responses to potential age disputes are in reality inconsistent, and that there are cases of age-disputed young people remaining in adult accommodation for unacceptably long times.²⁶⁴ Enver Solomon, CEO of Refugee Council, told us that if the Home Office has already made an initial decision about age, there is a high bar for asylum accommodation providers to make referrals to local authorities for a full assessment, leading to failures to refer.²⁶⁵ The Local Government Association told us that councils must be routinely notified by Home Office providers when an individual in adult accommodation claims they are a child.²⁶⁶ The Independent Chief Inspector of Borders and Immigration described referral requirements for accommodation providers in a May 2025 report:

- If an initial decision on age has been made but further representations have been received by a professional, or the service provider still has concerns that the individual is a child, the individual should be referred to the Safeguarding Hub and a local authority.
- If no initial decision has been made the provider must make a referral to the relevant local authority and ask them to undertake an assessment.

262 Independent Chief Inspector of Borders and Immigration, [An inspection of the Home Office’s use of age assessments July 2024 – February 2025](#), July 2025, paras 1.12–1.17

263 Home Office, [Response to an inspection of the Home Office’s use of age assessments](#), 22 July 2025

264 British Red Cross ([AAC0060](#)) section 2.6, Greater Manchester Combined Authority ([AAC0070](#)) section 2.4, Greater Manchester Immigration Aid Unit ([AAC0052](#)) paras 24–27. These issues were also raised during visits in conversations with local authority stakeholders.

265 [Q92](#)

266 Local Government Association ([AAC0084](#)) section 3

- If an initial decision has been made, no further representations have been received and the service provider does not have concerns, they should signpost the individual to a legal representative if they maintain that they are a child. Alternatively, the individual “can request an age assessment directly from the local authority themselves”.²⁶⁷

The department told us in October 2025 that it is Home Office policy that providers should automatically make a referral to a local authority in all cases where an individual has been initially assessed by two Home Office officials to be an adult, but has not had a Merton-compliant age assessment, and claims to be a child.²⁶⁸

- 127.** Accommodation providers insisted that they respond to age dispute cases in line with Home Office policy and procedure, including making the necessary referrals.²⁶⁹ Mears described their procedure for responding to age dispute cases as “robust”.²⁷⁰ Joanna Rowland, Director General of Customer Services at the Home Office, told us that the Home Office was confident that referrals of age dispute cases are taking place quickly, and that there have been “vast improvements” to the system response to Unaccompanied Asylum-Seeking Children.²⁷¹ Given the concerns we have heard in relation to Unaccompanied Asylum-Seeking Children, we do not share this confidence in the current system.

128. CONCLUSION

There are significant failings in the current processes for making initial decisions about age and unreliable decisions are still leading to children being incorrectly placed in adult accommodation. We do not have confidence that the arrangements for accommodation providers to identify and refer age dispute cases to the relevant local authority are consistently working as they should. This risks children being incorrectly accommodated in the adult asylum system, often in a shared room. This is a serious safeguarding issue. We welcome the department’s acceptance of the Independent Chief Inspector of Borders and Immigration’s recommendations to improve its age assessment processes.

267 Independent Chief Inspector of Borders and Immigration, [An inspection of the Home Office’s use of age assessments July 2024 – February 2025](#), July 2025, para 6.66

268 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

269 Clearsprings Ready Homes ([AAC0146](#)), Serco Ltd ([AAC0145](#))

270 Mears Group ([AAC0143](#))

271 [Q390](#)

129.

RECOMMENDATION

The Home Office should review and make improvements to arrangements for identifying and responding to age dispute cases in adult asylum accommodation and ensure that there is clear guidance for accommodation providers. To protect the welfare of children in the asylum system the department must ensure that provider staff have adequate training to respond appropriately to such cases, and that information is consistently shared with local authorities. The Home Office should also establish a mechanism to monitor provider compliance with guidance and training requirements, ensuring that safeguarding responsibilities are being met in practice.

4 Impacts on local areas

The distribution of accommodation

- 130.** Asylum accommodation is not evenly distributed across the UK. The disproportionate distribution of accommodation has been an ongoing challenge associated with the provision of asylum accommodation, and this has been exacerbated by the widespread use of Contingency Accommodation. We received extensive evidence from local authorities and Strategic Migration Partnerships where a disproportionate number of asylum seekers are accommodated, describing the pressures that this places on local services, including housing and homelessness services, primary health care and education.

Asylum dispersal

- 131.** Prior to 1999, local authorities were responsible for accommodating asylum seekers in their area, and asylum seekers were accommodated by the local authority where they first claimed asylum. This led to disproportionate numbers of asylum seekers being accommodated by local authorities in London and the South-East.²⁷² The Immigration and Asylum Act 1999 transferred responsibility for housing asylum seekers to the Home Office, at which point a policy of asylum dispersal was implemented.²⁷³ Under this system, asylum seekers do not have a choice about where they are housed. Asylum seekers are first housed in Initial Accommodation sites and then moved to longer term Dispersal Accommodation while awaiting a decision on their claim.²⁷⁴
- 132.** The dispersal policy was aimed at reducing the numbers of asylum seekers in London and the South East, and accommodating them in areas where there was cheaper, available housing.²⁷⁵ Dispersal operated on a consent basis—Dispersal Accommodation would only be procured in areas where local authorities had agreed.²⁷⁶ The Home Office also placed a limit on the

272 House of Commons Library, [Asylum support: Accommodation and financial support for asylum seekers](#), Research Briefing 1909, 5 April 2024, p11

273 [Immigration and Asylum Act 1999](#)

274 Home Office ([AAC0141](#)) paras 1–4, 7, 16

275 Home Affairs Committee, Twelfth Report of Session 2016–17, [Asylum accommodation](#), HC 637, para 31

276 Home Office ([AAC0141](#)) para 17

number of asylum seekers that could be accommodated in a particular local area—no more than 1 asylum seeker for every 200 people in the local population.²⁷⁷ This system led to Dispersal Accommodation being concentrated in local authority areas that had cheaper housing, with high proportions in the North of England, and asylum seekers becoming clustered in particular local authorities and particular wards.²⁷⁸ Our predecessor committee found in 2017 that the clustering of asylum accommodation as a result of the dispersal policy led to unacceptable pressure on schools and GP services in areas accommodating the most asylum seekers, especially in areas of deprivation, and that in practice the 1 in 200 threshold was breached in multiple areas.²⁷⁹ As outlined in paragraph 7, the number of asylum seekers accommodated by the Home Office has grown significantly since 2017, increasing these pressures.

- 133.** In order to respond to the increased need for accommodation during the Covid-19 pandemic, in March 2020 the Home Office adopted a policy of accommodating asylum seekers in areas regardless of whether local authorities had agreed to be dispersal areas, and authorised accommodation providers to expand the use of Contingency hotels. At the time the Government said it would “continue to consult and work closely with Local Authorities on any potential sites identified”.²⁸⁰ The use of Contingency hotels has been more common in London, the East of England and the South East, where previously there had been a lower proportion of asylum accommodation, significantly shifting the distribution of asylum seekers across the country.²⁸¹ In London almost two thirds (63%) of asylum seekers were being accommodated in hotels at the end of June 2025. Around half of housed asylum seekers in the South East and South West regions were in hotels (51% and 49% respectively), and 42% in the East of England. In the rest of the UK Dispersal Accommodation is much more commonly used. Contingency hotels have in some cases been opened in areas that already had high levels of Dispersal Accommodation, exacerbating existing pressures on local areas.²⁸² As of June 2025, around 32,000 asylum seekers were accommodated in Contingency hotels,

277 Home Affairs Committee, Twelfth Report of Session 2016–17, [Asylum accommodation](#), HC 637, para 34

278 Home Affairs Committee, Thirteenth Report of Session 2017–19, [Asylum accommodation: replacing COMPASS](#), HC 1758, paras 65–72

279 Home Affairs Committee, Twelfth Report of Session 2016–17, [Asylum accommodation](#), HC 637, paras 38–43

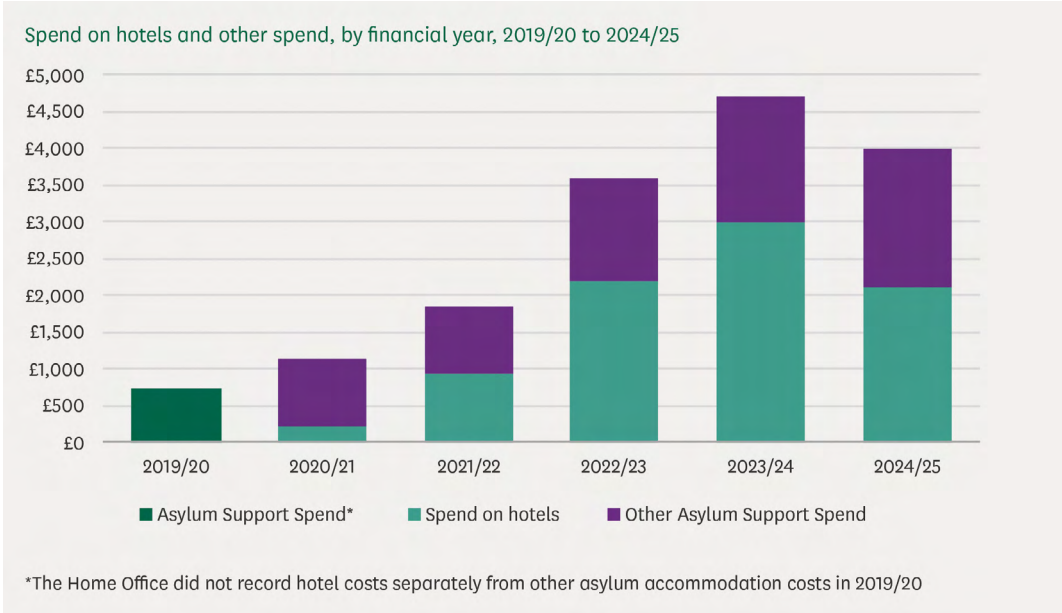
280 Home Office, [Letter from Parliamentary Under-Secretary for Immigration Compliance and the Courts to local authority chief executives](#), 27 March 2020

281 Migration Observatory, University of Oxford ([AAC0097](#)), section 2

282 For example, Coventry City Council ([AAC0027](#))

compared to 66,200 accommodated in Dispersal Accommodation and 4,600 in other forms of accommodation, including other Contingency Accommodation and Initial Accommodation.²⁸³

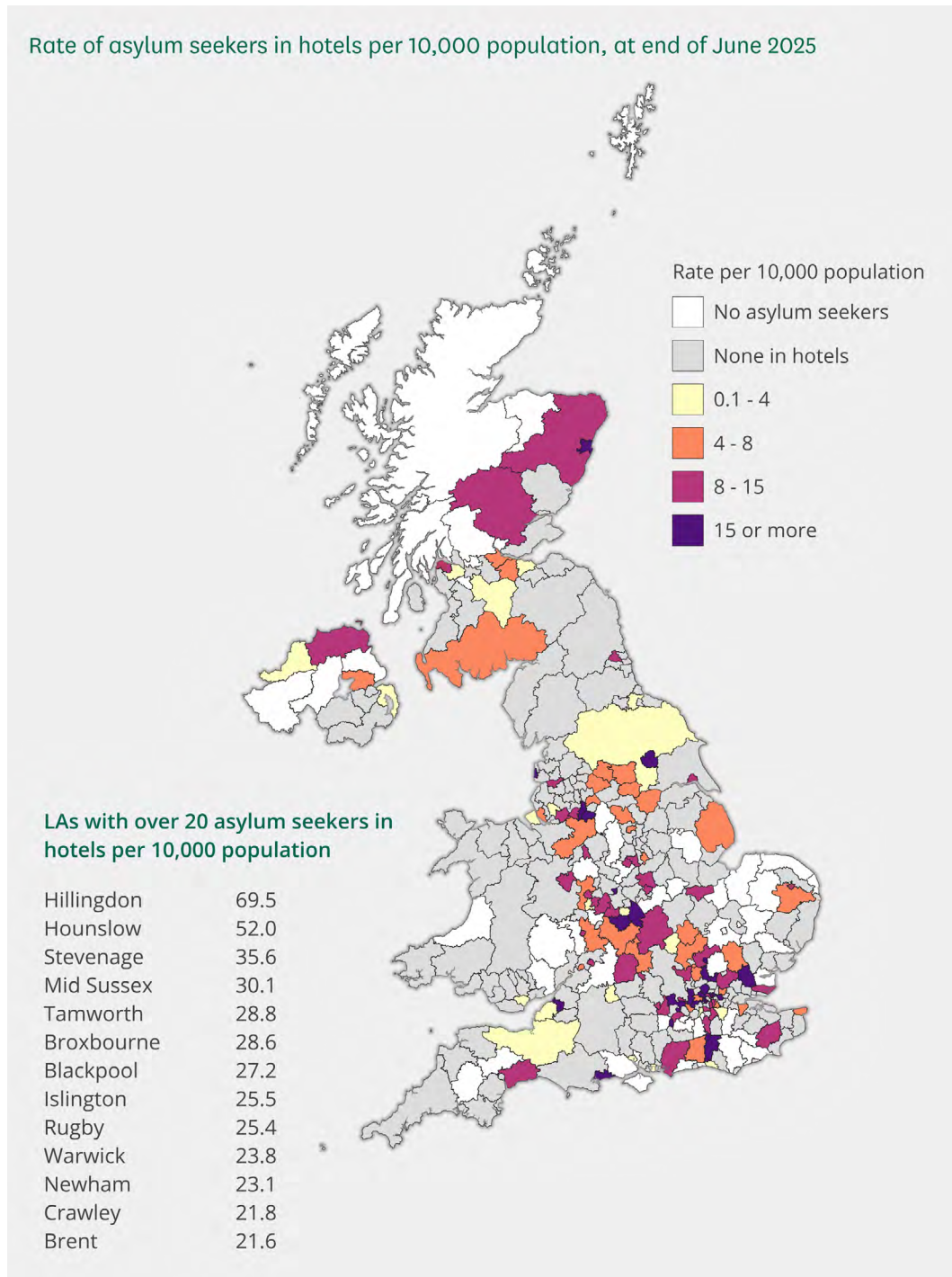
Figure 8 Asylum seekers receiving accommodation support, by region/ nation



Source: Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support by local authority, year ending June 2025, Table ASY_D011

283 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support by local authority year ending June 2025, Table Asy_D011

Figure 9 Asylum seekers housed in hotels by local authority



Source: Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support by local authority, year ending June 2025, Table ASY_D011. Office for National Statistics, Mid-2023 population estimates, accessed [via Nomisweb](#) (for England, Wales and Northern Ireland). National Records of Scotland, [Population estimates time series data](#)

- 134.** In addition to the pressures on local services caused by the accommodation of asylum seekers, in recent years local areas have welcomed arrivals under several humanitarian immigration routes, most notably the Ukrainian visa

schemes, the Afghan resettlement schemes and the Hong Kong BN(O) visa scheme. These schemes have been separately co-ordinated, with disparate funding requirements. The Local Government Association emphasised to us the importance of recognising the cumulative impacts of different resettlement routes, and taking a “place-based approach” to asylum and resettlement.²⁸⁴

135. The Home Office has recognised the need for an equitable distribution of Dispersal Accommodation. In 2019, the Home Office developed a plan to redistribute the accommodation of asylum seekers in proportion to the population of each region, with the aim of achieving this distribution by 2029. This programme was paused in 2020, due to the impact of the Covid-19 pandemic.²⁸⁵ In 2022, the Home Office announced that it would be implementing a policy of Full Dispersal, whereby asylum seekers would be distributed equitably across the country, with all local authorities hosting asylum seekers.²⁸⁶ To reduce the use of Contingency hotels, the Home Office hoped to significantly increase the overall amount of Dispersal Accommodation at the same time as creating a fairer distribution. At the beginning of 2023, there were around 56,000 asylum seekers in Dispersal Accommodation.²⁸⁷ The Home Office set a target of having 100,000 Dispersal bedspaces by the end of 2023, which it hoped to procure through the private rented sector. This proved to be unrealistic and unachievable.²⁸⁸ There are currently approximately 68,000 asylum seekers in Initial and Dispersal Accommodation across the country.²⁸⁹
136. The co-ordination of asylum dispersal is supported through twelve regional Strategic Migration Partnerships (SMPs). These local authority-led partnerships coordinate local government responses to migration, and act as a point of communication and contact between local authorities and the Home Office.²⁹⁰
137. The Home Office provides funding to local authorities based on the number of asylum seekers accommodated in their area. For the financial year 2025–26, local authorities received £1,200 funding per asylum seeker accommodated in any form of asylum accommodation on 30 March 2025,

284 Local Government Association ([AAC0084](#)) section 4

285 House of Commons Library, [Asylum support: Accommodation and financial support for asylum seekers](#), Research Briefing 1909, 5 April 2024 p 17

286 Home Office ([AAC0141](#)) para 17

287 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support detailed datasets, year ending June 2025, Table ASY_D09

288 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation: November 2023 – June 2024](#), October 2024, paras 5.14, 52.8

289 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support detailed datasets, year ending June 2025, Table ASY_D09

290 South East Strategic Migration Partnership, [Strategic Migration Partnerships \(SMPs\)](#), December 2024

and £100 per net increase in occupied bedspaces between April 2025 and March 2026.²⁹¹ Local authorities told us that grant funding, while welcome, does not meet the actual costs placed on local services.²⁹²

- 138.** To support Full Dispersal, the Home Office set targets for the number of asylum seekers to be accommodated in each region on the basis of population size, and asked local authorities to develop plans for the distribution of accommodation within each region.²⁹³ In the summer of 2024, these initial plans were replaced by new Service User Demand Plans (SUDPs), with the aim of delivering a fairer distribution that recognises pressures facing local areas. SUDPs are based on an Indexing Tool, developed by the Home Office following engagement with the Ministry for Housing, Communities and Local Government, local authorities and the Local Government Association.²⁹⁴ The Indexing Tool is a weighted model that considers local factors, such as housing availability and the capacity of local services and produces a target for the number of asylum seekers who can be accommodated in an area. The Indexing Tool also includes weightings to reflect the number of arrivals under humanitarian resettlement schemes.²⁹⁵ The Home Office told us that it also still considers the 1 in 200 threshold when procuring asylum accommodation,²⁹⁶ although in practice there are areas above this threshold.²⁹⁷ The principle behind the Indexing Tool was welcomed by local authorities and Strategic Migration Partnerships.²⁹⁸ Some local authorities however have described the weightings used in the tool as opaque and complicated,²⁹⁹ and expressed doubt that local infrastructure is fully considered in the plans.³⁰⁰ It is positive that the Home Office is taking steps to recognise the range of pressures facing local areas and build them into its planning, but the department should ensure that it is transparent in its approach.
- 139.** Contingency Accommodation, including hotels, does not count towards the Service User Demand Plans. This means that a local authority where a high number of asylum seekers are accommodated in hotels, but not in Dispersal Accommodation, would be considered below its planned target,

291 Home Office, [Funding Instruction for Local Authorities: Asylum Grant Financial Year 2025–2026](#), 31 March 2025, p 13

292 Coventry City Council ([AAC0027](#)), Glasgow City Health and Social Care Partnership ([AAC0048](#)), East Midlands Councils ([AAC0072](#))

293 House of Commons Library, [Asylum support: Accommodation and financial support for asylum seekers](#), Research Briefing 1909, 5 April 2024, p17

294 Home Office ([AAC0141](#)) para 33

295 Home Office ([AAC0141](#)) para 30–32, Annex A

296 Home Office ([AAC0141](#)) para 35

297 London Councils ([AAC0104](#)), East of England Strategic Migration Partnership ([AAC0077](#))

298 North West Regional Strategic Migration Partnership ([AAC0111](#)), Welsh Local Government Association ([AAC0133](#)) para 38, Convention of Scottish Local Authorities ([AAC0124](#)) para 21

299 South East Strategic Partnership for Migration ([AAC0075](#)) section 9

300 East Midlands Councils ([AAC0072](#))

and thus open to procurement of new bedspaces. This also means that the factors considered in the indexing tool, such as housing and homelessness pressures and arrivals on humanitarian schemes, are not built into decision making for Contingency sites. We saw no evidence that the Home Office or accommodation providers consider the total number of Contingency and Dispersal bed spaces to avoid procurement decisions leading to disproportionate and potentially unsustainable pressures. In the autumn of 2024, new asylum hotels were opened in local authorities in London already accommodating more than 1 in 200 asylum seekers relative to their population.³⁰¹ The Convention of Scottish Local Authorities (COSLA) told us that Contingency Accommodation has been excluded from the plans because the Home Office intends to end the use of hotels.³⁰² Given there are hotels in some areas that have been in use as asylum accommodation for multiple years,³⁰³ the failure to recognise these pressures in dispersal plans is unjustifiable. The Home Office has not confirmed whether medium sites would count towards Service User Demand Plans.³⁰⁴

140. **CONCLUSION**

The use of hotels for asylum accommodation was intended to be a short-term, contingency measure and consequently people in Contingency Accommodation do not “count” towards the Home Office’s plans for the distribution of asylum seekers across the country. In practice, there are Contingency hotels that have been open in some areas for years and may not close for some time, including hotels that were opened without even informing the local authority. Given the long-term use of many hotels, and the high proportion of asylum seekers currently accommodated in these hotels, the failure to join up the procurement of Dispersal and Contingency Accommodation is unfair on local authorities and unacceptable. The factors considered when setting targets for Dispersal Accommodation—such as homelessness pressures and arrivals on humanitarian schemes—should also be considered when deciding to open, or close, Contingency hotels.

301 London Councils ([AAC0104](#)) section 2

302 Convention of Scottish Local Authorities ([AAC0124](#)) para 24

303 Local Government Association ([AAC0144](#)) section 1

304 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

141.

RECOMMENDATION

We recommend that the Home Office amends the indexing tool used to develop targets for the distribution of asylum seekers across the country so that it accounts for use of Contingency Accommodation. We also recommend that the Home Office ensures that accommodation providers take account of existing Contingency and Dispersal Accommodation—and other factors included in the indexing tool—when identifying any new Contingency Accommodation sites.

Progress towards fairer distribution

142. The Home Office has committed to a fairer distribution of accommodation, but while the department has taken some significant steps in recent years, stark disparities remain. We recognise the progress the Home Office has made in increasing the number of local authority areas in which asylum seekers are accommodated—in June 2019, 221 out of 361 local authorities (61%, based on current geographical boundaries) housed no asylum seekers, but by June 2025 this had reduced to 56 out of 361 (16%).³⁰⁵ However, particular areas continue to bear disproportionate pressures. As of June 2025, the North West hosted 27.3 asylum seekers per 10,000 population, compared to the South East which hosted 7.0. Glasgow City, the local authority with the highest number of asylum seekers, hosted 58 asylum seekers per 10,000 of population.³⁰⁶ Within each region, there is considerable variation in the proportion of asylum seekers accommodated relative to the population. Local authorities are continuing to see asylum accommodation clustered in particular wards, often those with high levels of deprivation, where accommodation is cheaper.³⁰⁷

305 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support by local authority, year ending June 2025, Table ASY_D011

306 House of Commons Library, [Asylum statistics](#), Research Briefing SN01403, 1 September 2025, Annex

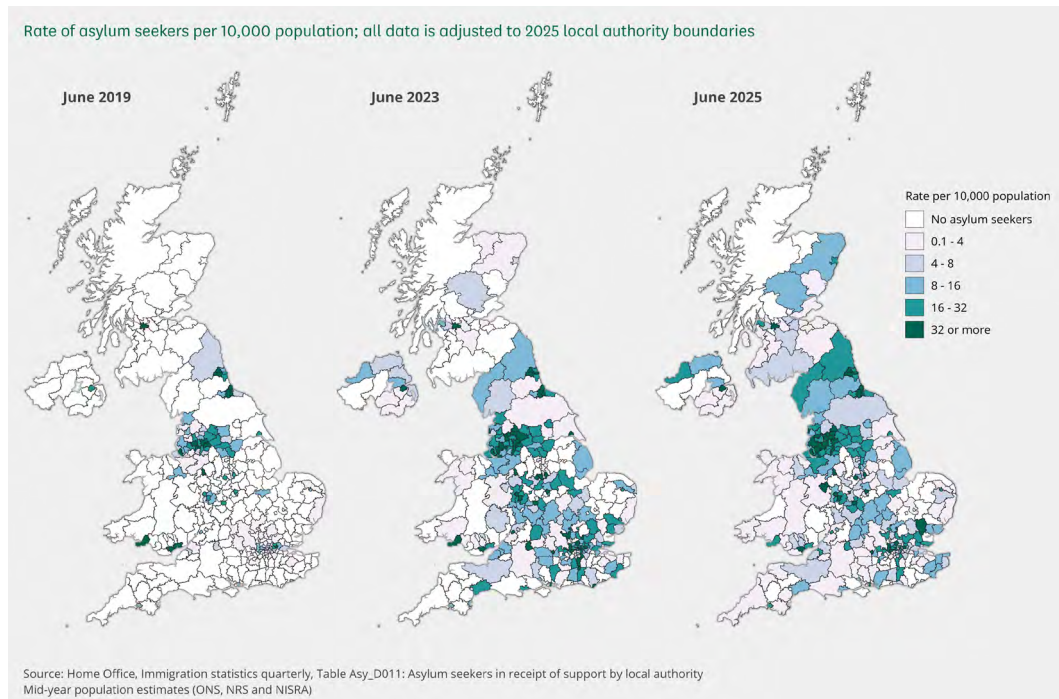
307 Middlesbrough Council ([AAC0064](#)) section 2, North West Regional Strategic Migration Partnership, ([AAC0111](#))

Figure 10 Accommodated asylum seekers by region/nation, as at end June 2025

Number and rate per 10,000 population		
Region / nation	Number	Rate
North West	20,873	27.3
North East	7,217	26.5
West Midlands	12,941	21.2
London	15,959	17.7
Yorkshire and The Humber	9,470	16.9
East Midlands	7,101	14.2
Northern Ireland	2,519	13.1
Scotland	5,883	10.7
East of England	6,632	10.2
Wales	3,180	10.0
South West	4,394	7.5
South East	6,697	7.0

Source: Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support by local authority, year ending June 2025, Table ASY_D011. Office for National Statistics, Mid-2023 population estimates, accessed [via Nomisweb](#) (for England, Wales and Northern Ireland). National Records of Scotland, [Population estimates time series data](#)

Figure 11 Change in the distribution of asylum accommodation 2019–2025



Source: Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support by local authority; year ending June 2025, Table ASY_D011, Office for National Statistics, Mid-2023 population estimates, accessed [via Nomisweb](#) (for England, Wales and Northern Ireland), National Records of Scotland, [Population estimates time series data](#)

- 143.** The original contracts were not designed to deliver an equitable distribution of asylum seekers,³⁰⁸ and the Home Office has had to renegotiate contractual caps on the number of asylum seekers in several regions to align the contracts with its desired distribution.³⁰⁹ The Home Office also re-negotiated pricing in some dispersal regions, uplifting prices in some regions to support an increase in procurement of Dispersal Accommodation.³¹⁰ Having to negotiate these changes mid-contract is likely to have put the Home Office in a worse negotiating position.³¹¹

308 National Audit Office, [Asylum accommodation and support](#), Report by the Comptroller and Auditor General, HC (2019–21) 375, 3 July 2020, para 4.10

309 Home Office ([AAC0141](#)) para 25

310 Home Office ([AAC0141](#)) para 26

311 National Audit Office, [Asylum accommodation and support](#), Report by the Comptroller and Auditor General, HC (2019–21) 375, 3 July 2020, para 4.11

- 144.** The Home Office shared its Service User Demand Plans at a regional level for December 2024 and June 2025. The plans shifted significantly for some regions in the six-month period. For example, the target for the North West has risen by over a thousand, while the target for the South East has fallen by over thousand. The rationale for these changes is unclear. It is clear that the Home Office is currently not close to achieving its targets. Two regions—the North West and North East—are significantly above their plans (at 164.6% and 127.7%). All other regions are below their plans, with four regions at less than 30% of their plans.

Figure 12 The Home Office’s Service User Demand Plans, December 2024 and June 2025

Region	Service User Demand Plan, December 2024	Service User Demand Plan, June 2025
East Midlands	8,525	9,610
East of England	10,257	10,599
London	15,802	16,896
North East	4,252	4,230
North West	12,002	13,486
Northern Ireland*	Not Applicable	Not Applicable
Scotland	7,856	11,276
South East	16,309	14,902
South West	8,868	9,388
Wales	4,791	5,073
West Midlands	9,668	10,944
Yorkshire and The Humber	8,569	8,387
Total	106,899	114,791

Note: Northern Ireland does not have an SUDP, as it is Home Office policy not to transfer asylum seekers between Northern Ireland and the rest of the UK.

Source: Home Office ([AAC0141](#)) Annex B, Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

Figure 13 Progress against the Home Office’s Service User Demand Plans, June 2025

Region	Service User Demand Plan	Service Users in Initial and Dispersal Accommodation	Progress Against Service User Demand Plan
East Midlands	9,610	5,367	55.80%
East of England	10,599	2,520	23.80%
London	16,896	4,690	27.80%
North East	4,230	6,964	164.60%
North West	13,486	17,218	127.70%
Northern Ireland*	Not Applicable	2,273	Not Applicable
Scotland	11,276	4,202	37.30%
South East	14,902	3,118	20.90%
South West	9,388	2,268	24.20%
Wales	5,073	3,126	61.60%
West Midlands	10,944	9,086	83.00%
Yorkshire and The Humber	8,387	7,319	87.30%
Total	114,791	68,151	59.40%

Source: Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

- 145.** The need to deliver more accommodation makes delivering an equitable system more challenging. Accommodation providers are not permitted to increase the amount of Initial and Dispersal Accommodation in areas that are at or above their Service User Demand Plans. However, in order to address the overall shortage of Dispersal Accommodation providers are allowed to procure new bedspaces to replace old ones, maintaining the overall number of bedspaces.³¹² This policy means that areas with high amounts of Dispersal Accommodation are highly unlikely to see a reduction in the number of asylum seekers accommodated, unless there is a significant reduction in demand.
- 146.** Local authorities and Strategic Migration Partnerships highlighted slow progress against the plans, and often shared doubts that an equitable distribution of accommodation will be achieved within the lifetime of the contracts.³¹³ Cllr Peter Mason, speaking on behalf of the LGA, told us that local authorities wanted to see providers adhering to the allocations set out in the Service User Demand Plans.³¹⁴ The perception among many local authorities remains that, despite the stated policy of the Home Office to

312 Home Office ([AAC0141](#)) para 35

313 See, for example, North West Regional Strategic Migration Partnership, ([AAC0111](#)), East of England Strategic Migration Partnership ([AAC0077](#)), Convention of Scottish Local Authorities ([AAC0124](#)) para 22, East Midlands Councils ([AAC0072](#)), City of Wolverhampton Council ([AAC0136](#)), Durham County Council ([AAC0063](#))

314 [Q99](#)

shift to a model based on fairness, accommodation providers are still procuring on the basis of cost, driving the concentration of accommodation in more deprived areas.³¹⁵ Greater Manchester Combined Authority Deputy Mayor Paul Dennett told us “the providers will always go to those areas of the country where housing values are the lowest, and we need to be really honest about that.”³¹⁶

- 147.** Accommodation providers told us that they were doing what they could to deliver the Home Office’s desired distribution of accommodation.³¹⁷ Claudia Sturt, Director of Prisons and Immigration at Serco UK and Europe, asserted that Serco procures accommodation on the basis of availability of accommodation rather than cost or profit.³¹⁸ Providers described barriers to procurement which make it harder to deliver the plans, including lack of services—especially in rural areas—to support dispersed asylum seekers,³¹⁹ lack of engagement from local authorities, barriers related to planning permission, and competition with other housing providers.³²⁰ Claudia Sturt described the Service User Demand Plans as the key barrier to procurement for providers, as they prevent procurement in places where the most accommodation is available.³²¹ This indicates that there is a trade-off between achieving the Home Office’s targets for increasing the number of Dispersal Accommodation bedspaces, and making the distribution of asylum accommodation more equitable.
- 148.** Ensuring a fair distribution of accommodation is not a contractual requirement for providers, and there are no penalties for providers who fail to achieve a wider distribution.³²² Asylum accommodation providers are paid for Dispersal Accommodation based on set rates.³²³ This means that if accommodation providers can procure accommodation more cheaply, by, for example procuring in cheaper areas, they will make a greater profit. As we noted in Chapter 2, there are also financial incentives for accommodation providers to prioritise the ongoing use of expensive Contingency Accommodation over procuring new Dispersal Accommodation. The Home Office does not appear to have the necessary levers and oversight to ensure accommodation providers are delivering the

315 West Midlands Strategic Migration Partnership ([AAC0125](#)), Welsh Local Government Association ([AAC0133](#)) para 41, Convention of Scottish Local Authorities ([AAC0124](#)) para 6, Migration Yorkshire ([AAC0107](#))

316 [Q100](#)

317 [Q167](#)

318 [Q159](#)

319 [Q167](#)

320 Clearsprings Ready Homes ([AAC0146](#)), Mears Group ([AAC0143](#))

321 [Q181](#)

322 [Q167](#)

323 National Audit Office, [The Home Office’s asylum accommodation contracts](#), Report by the Comptroller and Auditor General, HC (2024–25) 874, 7 May 2025, para 1.17

accommodation it needs. We recognise that there are genuine barriers to procurement in some areas due to housing shortages—this is all the more reason why effective oversight by the Home Office is essential.

- 149.** Accommodation providers told us that resistance from local authorities was a barrier to procuring accommodation. Serco told us that some local authorities refuse to engage “on the premise that, if they do not respond to our calls for information, we cannot procure properties in their region.”³²⁴ In principle, participation in dispersal is not optional for local authorities, and while local authorities can raise objections to the use of particular properties or procurement in particular postcode areas, they do not have the power to veto them. Where there are disputes between providers and local authorities, the Home Office adjudicates and makes a final decision.³²⁵ While local authorities cannot block the procurement of accommodation in their area, failures to engage or public resistance by local authorities can slow down the delivery of accommodation. A sustainable and equitable system is in the national interest, and therefore we believe all local authorities have a moral obligation to genuinely and positively engage in the delivery of asylum accommodation in their area.
- 150.** The use of hotels to accommodate asylum seekers has been subject to legal challenges by some local authorities on planning permission grounds, and local authorities have sought temporary injunctions to prevent the use of hotels to house asylum seekers on a number of occasions.³²⁶ Interim injunctions have been allowed or refused based on the particular circumstances of individual cases.³²⁷ The potential for legal challenges creates additional challenges and uncertainty for the Home Office, due to the need to vacate hotels at short notice and find alternative accommodation if a court bans the use of a hotel to house asylum seekers. It is regrettable that the debate about the use of hotels is being played out in court proceedings, rather than through mutual engagement between local and central government.
- 151.** Greater collaboration with local authorities could help address some of the challenges to procuring new Dispersal Accommodation. Local housing authorities will inevitably have greater knowledge of the housing market in their area than Home Office officials. There is a willingness among some local authorities to support the expansion of Dispersal and share this expertise,³²⁸ but a lack of transparency makes it harder for local

324 Serco Ltd ([AAC0099](#)) para 7.4

325 Home Office ([AAC0141](#)) para 41

326 House of Commons Library, Insight, [Is planning permission required to house asylum seekers in hotels?](#), 2 September 2025

327 [Secretary of State for the Home Department and Somani Hotels Limited v Epping Forest District Council](#) [2025] EWCA Civ 1134

328 [Q104](#)

authorities to meaningfully support this work.³²⁹ The Local Government Association recommended making the price limits providers must abide by more transparent, to support a shared understanding of barriers to procuring in particular areas.³³⁰ In order for the Home Office, and broader stakeholders, to be assured that providers are doing all they can to deliver fair distribution, the Home Office needs to understand the housing markets in which providers are procuring.

- 152.** Also, local authorities and Strategic Migration Partnerships will have a much better idea of the options in local housing, and a sense of how Home Office money could be better spent to house asylum seekers and bring benefits to communities, such as through renovating housing, repurposing appropriate buildings, fixing void accommodation, or building new housing with Home Office money, which could later enter the social housing stock. One of the greatest failures of the asylum contracts thus far is that billions in taxpayer money has been spent with nothing lasting to show for it; rather than being invested in the housing stock, it has been spent on one-off payments to hotels and in profits to contract providers.
- 153.** In order for the system to be fair and sustainable, equity of distribution should be embedded in the Home Office's plans. Focusing on areas where it is cheapest to procure and manage accommodation may cost less, but can create unacceptable pressures on local areas. Sustainably increasing the supply of Dispersal Accommodation, in a way that does not place unreasonable pressures on local areas, will also be cheaper than the use of Contingency hotels. Doing so will require the Government to address broader systemic housing challenges, an issue we consider in Chapter Five.

154. CONCLUSION

The Home Office has failed to achieve its targets for an equitable distribution of asylum seekers. Asylum accommodation is still heavily concentrated in particular areas, often areas of high deprivation. Many local authorities do not have faith that the department will achieve a fair and equitable distribution of accommodation. The Home Office has failed to ensure providers deliver in line with its plans—something that should have been considered when the contracts were set up—and has not succeeded in allaying concerns that providers are procuring on the basis of cost, rather than equity. We recognise that there are substantial barriers to achieving the plans in some areas, due to the broader failure of house building rates and access to services to keep pace with population growth, but we have seen no evidence that the Home Office has a credible plan for meeting its targets to make the distribution of asylum accommodation more equitable.

329 Convention of Scottish Local Authorities ([AAC0124](#)) para 4

330 Local Government Association ([AAC0084](#)) para 2.1

155.

RECOMMENDATION

We recommend that the Home Office set out the steps it will take to overcome barriers to the delivery of a fairer distribution of accommodation and improve engagement with local authorities on how best to address barriers to procurement. Local authorities are the experts on their areas, and the Home Office should consult them on price caps for procuring accommodation. The Home Office should work with local authorities and Strategic Migration Partnerships to understand where spending on asylum accommodation can be invested in local housing and bring benefits to local communities, such as through renovating existing housing, repurposing appropriate buildings, fixing void accommodation, or building new housing. The Home Office should ensure that the future contracts provide them with stronger levers to direct providers to procure accommodation in line with Home Office requirements.

Pressure on local services

156. Areas hosting disproportionate numbers of asylum seekers continue to experience pressures on their services, including on primary care services and social care, demand for school places, and pressures on the voluntary and community sector. Local authorities also need to respond to high levels of rough sleeping and statutory homelessness among those leaving asylum accommodation,³³¹ and find themselves competing with asylum accommodation providers for housing, distorting local housing markets and driving up prices.³³²
157. The use of Contingency hotels, by their nature, concentrates large numbers of people in a single location, which can create additional pressures on GPs, children's social care and education.³³³ Local authorities expressed frustration at the poorly coordinated placement of hotels in areas with already stretched services. For example, Essex County Council told us that two hotels in an area with an existing shortage of school places had been used to accommodate asylum seeking families.³³⁴ The support provided to asylum seekers under the contracts is limited and there is often a high reliance on the support of the local voluntary and community sector.³³⁵

331 Greater Manchester Combined Authority ([AAC0070](#)), Coventry City Council ([AAC0027](#)) section 2.3, Middlesbrough Council ([AAC0064](#)) sections 3–4, Kent County Council ([AAC0029](#))

332 Glasgow City Health and Social Care Partnership ([AAC0048](#)), [Q102](#)

333 Oxfordshire Migration Partnership ([AAC0095](#)) section 1.1, Convention of Scottish Local Authorities ([AAC0124](#)) para 30, North West Regional Strategic Migration Partnership ([AAC0111](#))

334 Essex County Council ([AAC0065](#))

335 South East Strategic Partnership for Migration ([AAC0075](#)), Middlesbrough Council ([AAC0064](#)), North East Migration Partnership ([AAC0083](#))

- 158.** Early engagement with councils before hotels are opened or closed is essential for local services to be able to plan ahead.³³⁶ There are now protocols for local authorities to be notified of the Home Office’s intention to open large Contingency sites, but these protocols are not always followed in practice.³³⁷ While engagement on Contingency Accommodation has improved,³³⁸ local authorities continue to report receiving less than 48 hours’ notice of the use of hotels to accommodate asylum seekers.³³⁹ The Home Office can, and should, anticipate the possibility of needing to expand hotel use, and communicate this to relevant local authorities so that they have time to prepare.
- 159.** Refugees leaving asylum accommodation are at high risk of homelessness, and refugees presenting as homeless can create significant pressures for local authorities.³⁴⁰ When the Government introduced accelerated asylum decision making in 2023, resulting in a significant increase in positive asylum decisions, a lack of planning and co-ordination with local government resulted in pressures on local authorities due to the high number of asylum seekers being evicted from their accommodation at the same time, leading to significant increases in rough sleeping among refugees.³⁴¹ This issue is exacerbated by differences in homelessness and housing legislation in the devolved nations, which are not accounted for in Home Office policy.³⁴²
- 160.** Asylum seekers who have received a positive decision usually receive 28 days’ notice before they are evicted from Home Office accommodation. This gives refugees an extremely limited time to find employment, apply for benefits if they are eligible, set up a bank account and secure alternative accommodation, meaning they are more likely to present as homeless, creating unsustainable pressure on local authorities, particularly those hosting larger numbers of asylum seekers. The 28 day notice period is not aligned with other legislation—in England under the Homelessness Reduction Act, local authority duties to prevent and relieve homelessness last for 56 days.³⁴³ In December 2024, as part of a pilot, the Home Office temporarily extended the grace period given to refugees before they leave accommodation to 56 days. The impact of the pilot was limited in some areas, as poor information sharing meant that some local authorities still

336 Local Government Association ([AAC0084](#)) section 2.2

337 [Q106](#)

338 Migration Yorkshire ([AAC0107](#)), North West Regional Strategic Migration Partnership ([AAC0111](#))

339 West Midlands Strategic Migration Partnership ([AAC0125](#)), section 1, London Councils ([AAC0104](#)) section 2.1

340 [Q111](#)

341 [Q111](#)

342 Convention of Scottish Local Authorities ([AAC0124](#)) para 27, Welsh Local Government Association ([AAC0133](#)) para 54

343 Local Government Association ([AAC0084](#)) section 2.4

received less than 56 days' notice.³⁴⁴ We also heard from local authorities that earlier and more holistic support, with a greater focus on integration, is needed to reduce homelessness among refugees.³⁴⁵ Greater transition support following a positive decision, to support refugees into employment, would reduce homelessness and overall costs to the system, by enabling a faster and more effective move on. Despite these challenges, there was overwhelming support for the change to 56 days in the evidence we received, as an important mitigation to reduce homelessness among recently recognised refugees.³⁴⁶ The Home Office has now chosen to revert to giving most refugees 28 days' notice. The Home Secretary told the House that the Home Office is working with local authorities to make sure there is an appropriate move-on period "rather than having an arbitrary time period".³⁴⁷ Given the high level of support we received for the 56 day move on period in the evidence we received, this decision is extremely disappointing.

- 161.** The current accommodation system was not designed to consider the level of service provision at a local level necessary to meet the needs of asylum seekers accommodated there, and accommodation providers are not required to take into account the capacity of local services when they make a recommendation to the Home Office to use an accommodation site. Jason Burt, Group Director at Mears, told us that considering the capacity of services was not within the remit of accommodation providers.³⁴⁸ Claudia Sturt, Serco, told us that the Service User Demand Plans (SUDPs) developed by the Home Office were in effect the impact assessments.³⁴⁹ Given that the SUDPs do not apply to Contingency Accommodation, and do not inform the type of households accommodated in particular areas, we did not find this answer particularly reassuring.
- 162.** In many areas, local authorities have positive working relationships and effective communication with accommodation providers when working on practical issues, although this is not universal.³⁵⁰ In contrast, churn within the Home Office and opaque internal structures have in many areas undermined relationships with local authorities.³⁵¹ Local authorities

344 East of England Strategic Migration Partnership ([AAC0077](#))

345 East Midlands Councils ([AAC0072](#)), North West Regional Strategic Migration Partnership, ([AAC0111](#)), Welsh Local Government Association ([AAC0133](#)) para 57

346 For example, Barnsley Metropolitan Borough Council ([AAC0069](#)), Buckinghamshire Council ([AAC0071](#)), Local Government Association ([AAC0084](#)) section 2.4, East Sussex County Council ([AAC0092](#)), Lewisham Council ([AAC0096](#)), London Councils ([AAC0104](#)) section 2.3

347 HC deb, 15 September 2025, [col 1160](#)

348 [Q175](#)

349 [Q170](#)

350 East Midlands Councils ([AAC0072](#)), South East Strategic Partnership for Migration ([AAC0075](#)), East of England Strategic Migration Partnership ([AAC0077](#))

351 Migration Yorkshire ([AAC0107](#)), East of England Strategic Migration Partnership ([AAC0077](#))

widely experience Home Office decision making as top down, with local authorities told about decisions, rather than genuinely consulted.³⁵² Many local authorities do not believe that genuine, evidence-based objections put forward by themselves or other local partners to the procurement of particular accommodation sites will be listened to.³⁵³

- 163.** Good quality, timely data sharing from providers and the Home Office is essential for local services to plan and respond to demand, and to reach and support vulnerable people.³⁵⁴ While there are areas where data sharing is working well,³⁵⁵ there is a disparity in the level of data shared by different accommodation providers, leading to inconsistencies in the level of data shared across the country.³⁵⁶ Inconsistent, inadequate and inaccurate data sharing by providers is undermining the ability of local services to plan.³⁵⁷
- 164.** The frequent movement of asylum seekers across the asylum estate makes timely and accurate data sharing all the more important, to ensure continuity of care. We met with local authority and health stakeholders in Scotland, who told us they receive 24 hours' notice of the arrival of new asylum seekers into Contingency Accommodation, and no notice of asylum seekers placed in Dispersal Accommodation. This leaves local services no time to prepare for new arrivals. Local authorities are not told the onward destination of asylum seekers moved out of their area by the Home Office, leaving them unable to hand over safeguarding cases to the new local authority.³⁵⁸

352 East Midlands Councils ([AAC0072](#)), Convention of Scottish Local Authorities ([AAC0124](#)) para 25, North East Migration Partnership ([AAC0083](#)) 3.2.6

353 Migration Yorkshire ([AAC0107](#)), Convention of Scottish Local Authorities ([AAC0124](#)) para 8
354 [Q105](#)

355 Blaenau Gwent County Borough Council, Torfaen County Borough Council ([AAC0030](#))

356 East Midlands Councils ([AAC0072](#))

357 Coventry City Council ([AAC0027](#)), Tamworth Borough Council ([AAC0119](#)), City of Wolverhampton Council ([AAC0136](#)), Migration Yorkshire ([AAC0107](#)), Convention of Scottish Local Authorities ([AAC0124](#)) para 19

358 Lewisham Council ([AAC0096](#))

165. CONCLUSION

The Home Office has failed to properly consider the impacts of its approach to the delivery of asylum accommodation on local areas and to engage early with local partners to understand what these impacts might be. It is inexplicable that the Home Office has placed no obligation on providers to assess impacts on local areas. Failures to identify and mitigate impacts, compounded by the disproportionate distribution of accommodation, has led to some local services experiencing unsustainable pressures. This failure to recognise broader impacts can be seen in the pressures experienced by local authorities in areas where significant numbers of asylum seekers have received positive decisions and subsequently become homeless. These pressures have been exacerbated by inconsistent communication and inadequate data sharing, which has undermined the ability of local partners to respond effectively to the placement of asylum seekers in their area.

166. RECOMMENDATION

We recommend that the Home Office implements a package of reforms to ensure that the impact of asylum accommodation on local areas is accounted for, including by:

- a.** Ensuring that impacts on local services are adequately assessed by providers prior to accommodation being procured;
- b.** Providing local authorities with at least 28 days' notice of the use of new Contingency Accommodation;
- c.** Reinstating the 56 day notice period for asylum seekers who have received a positive decision; and
- d.** Collaborating with local authorities to develop a clear data-sharing standard which sets out what information should be shared with partners, and when. The Home Office should also ensure that data is shared consistently across different providers and the different regions. This could be reflected in a new KPI regime.

Community cohesion

- 167.** There have been growing community tensions associated with the use of asylum accommodation, especially hotels. Many residents up and down the country are understandably concerned about the impact of hotels used to house asylum seekers in their local area. The disproportionate distribution of accommodation and the use of highly visible hotel sites has exacerbated

community tensions.³⁵⁹ The pressures created by clustering asylum seekers in particular areas risk damaging community cohesion, especially in areas where services are struggling to meet the needs of residents.³⁶⁰ Promoting community cohesion is the responsibility of the Ministry for Housing, Communities and Local Government, not the Home Office, and the Home Office does not appear to have prioritised community cohesion in its decision making. The Home Office told us that community cohesion is a priority in the accommodation strategy they are developing.³⁶¹ Despite this, local authorities reported providers failing to consider community cohesion challenges when procuring properties,³⁶² with properties procured in areas with existing tensions.³⁶³

- 168.** Hotel provision, especially given the shared rooms, inability of asylum seekers to work, and lack of options for activity, means hotels sometimes have groups of asylum seekers ‘hanging around’ outside them. This can create tension in the local community. The Government is seeking to calm anxieties about asylum; hotels are undermining this effort.
- 169.** Community tensions have led to asylum accommodation sites being subject to both non-violent protests and serious violence, putting residents and staff at risk.³⁶⁴ Protests at asylum accommodation sites have involved local residents with genuine concerns and also people travelling from other areas specifically to promote divisive agendas or instigate disorder.³⁶⁵ In our inquiry into the summer 2024 disorder we heard that far-right channels were being used to encourage protest activity.³⁶⁶ Policing these protests, and responding to violence, places additional pressures on already stretched local police forces. The violent targeting of hotels has left hotel residents, staff and members of the local community feeling unsafe.³⁶⁷ The attacks on hotels accommodating asylum seekers are unacceptable acts of violence, and we welcome the robust response of police in taking action against those responsible.
- 170.** Local residents have understandable concerns about use of hotels as asylum accommodation without notice or consultation, and community cohesion has been damaged by failures to genuinely engage with communities about asylum accommodation sites. Inconsistent and

359 [Q107](#), Coventry City Council ([AAC0027](#)) section 2.3, Greater Manchester Combined Authority ([AAC0070](#))

360 Glasgow City Health and Social Care Partnership ([AAC0048](#))

361 Home Office ([AAC0141](#)) para 55

362 Kent County Council ([AAC0029](#))

363 Halton Borough Council ([AAC0050](#)), Greater Manchester Combined Authority ([AAC0070](#))

364 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation, November 2023 – June 2024](#), October 2024, paras 10.17–10.18

365 [Epping Forest District Council v Somani Hotels Limited](#) [2025] EWHC 2183 (KB) at [21]

366 Oral evidence taken on 25 February 2024, [Q49](#)

367 Greater Manchester Combined Authority ([AAC0070](#))

inadequate communication from the Home Office has left local residents feeling ignored,³⁶⁸ and the opening of hotels at short or no notice has undermined the ability of local authorities to effectively communicate to the local community.³⁶⁹ Dr Jonathan Darling told us that a lack of community engagement and communication from the Home Office “has too often left a vacuum that activists from the far-right have been able to exploit to foster tensions and anti-immigrant sentiment.”³⁷⁰ The Home Office needs to be honest with local communities and listen to residents’ concerns. The Home Office has established a new asylum accommodation community cohesion team in the aftermath of the disorder in the summer of 2024, which engages with local stakeholders on the operationalisation of asylum accommodation sites and is working with the Ministry of Housing, Communities and Local Government to develop metrics to measure community cohesion issues to form part of its Indexing Tool.³⁷¹ These steps are welcome, but utterly insufficient.

- 171.** In our report on the summer 2024 disorder we noted that the lack of information published in the wake of the murders of Bebe King, Elsie Dot Stancombe and Alice da Silva Aguiar created a vacuum where misinformation was able to grow.³⁷² The College of Policing and National Police Chiefs’ Council have now published interim guidance on the disclosure of a suspect’s ethnicity and nationality,³⁷³ which states that forces should confirm the nationality and/or ethnicity of suspects or defendants—where this is known or recorded—in high profile or sensitive investigations or operations where there is a policing purpose in doing so, a related risk or impact on public safety such as rising community tension, mis- or disinformation leading to community tension, or a significant level of media or social media interest. We note that it remains for the Home Office to determine whether to release information about the immigration status of suspects. Whilst we welcome the publication of this guidance, its vagueness means that there is still considerable scope for inconsistent application between different police forces and as a result of differing objectives of the organisations considering the release of information.

368 Blaenau Gwent County Borough Council, Torfaen County Borough Council ([AAC0030](#))

369 Asylum Matters ([AAC0034](#))

370 Professor Jonathan Darling ([AAC0120](#)) section 3

371 Home Office ([AAC0141](#)) paras 32, 96

372 Home Affairs Committee, Second Report of Session 2024–25, [Police response to the 2024 summer disorder](#), HC 381, para 17

373 National Police Chiefs’ Council, [Interim guidance relating to the disclosure of the ethnicity and nationality of suspects](#) (accessed 20 August 2025)

172. CONCLUSION

For too long, the Home Office has not prioritised community cohesion in its approach to asylum accommodation, no doubt at least partly because that is the responsibility of another department. The Home Office has failed to properly engage with local communities, and as a result has missed opportunities to proactively communicate its approach to asylum accommodation and address local concerns. The lack of engagement and transparency has left space for misinformation and mistrust to grow, which in too many areas has led to tensions and undermined the ability of local partners to promote social cohesion.

173. RECOMMENDATION

The Home Office should work with other government departments, local authorities, devolved administrations and community groups to improve communication with local communities about the use of asylum accommodation in their areas. This should include communicating how legitimate concerns are being addressed and ensuring that misinformation is challenged.

5 The Home Office's strategy

- 174.** The Home Office has pursued a series of actions with the aim of reducing spending on asylum accommodation and closing hotels, but has never presented a clear strategy for the long-term delivery of asylum accommodation. Contract changes to enable the delivery of Contingency hotels were agreed in a rush, and hotels have been opened at short notice. The large sites programme was rushed, chaotic and much more costly than expected. The Home Office has set itself ambitious targets for the expansion of Dispersal Accommodation and the delivery of a fairer distribution of asylum seekers but has not set out a clear strategy for how it is going to achieve this.
- 175.** When the Independent Chief Inspector of Borders and Immigration examined the delivery of Contingency Accommodation in 2023–24, he found that the Home Office did not have an overarching strategy, with one senior manager telling inspectors “It was a culture of ‘just do things’”, which was driven by both Ministers and delivery managers.³⁷⁴ The then interim Independent Inspector David Bolt told us:

[The Home Office] still does not really have a strategy. Perhaps I should caveat that. I am not entirely clear what its strategy is. If it has one, it has not articulated it in a way that I have been able to understand it.³⁷⁵

The department told Inspectorate staff in December 2023 that a ten-year strategy for the delivery of asylum accommodation was being drafted, which would be developed by the end of March 2024. In June 2024, inspectors were informed “the strategy and the delivery plan for the 2024–2025 business year supporting the strategy were being developed further [...] before the documents are finalised.”³⁷⁶ The department told us that “in anticipation of the [Asylum Accommodation and Support] contracts expiring in 2029, the Home Office has worked closely with MHCLG to begin to develop a 10-year Accommodation Strategy”.³⁷⁷ The Home Office told us that this strategy is now being delivered and includes pilots to test forms of delivery in partnership with local authorities. The department

374 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation, November 2023 – June 2024](#), October 2024, paras 2.17, 5.4

375 [Q57](#)

376 Independent Chief Inspector of Borders and Immigration, [An inspection of contingency asylum accommodation, November 2023 – June 2024](#), October 2024, paras 5.4–5.8

377 Home Office ([AAC0141](#)) para 53

said it would continue to keep the strategy under review, and iterate it, as implementation rolls out. This strategy has not been published and it remains unclear to us what the Home Office's strategy actually is.³⁷⁸

176. The absence of a published strategy has limited the Home Office's ability to build trust with stakeholders. David Bolt told us that it was difficult to have early conversations with local authorities about the placement of accommodation in the absence of "absolute clarity" about the department's plans.³⁷⁹ The West Midlands Strategic Migration Partnership told us that it was "widely voiced" among its local authorities that lack of long-term planning by the Home Office resulted in the short-term stand up of Contingency Accommodation.³⁸⁰

177. **CONCLUSION**

The Home Office has not demonstrated that it has had a strategy for the delivery of asylum accommodation. The department's approach has instead been a series of hasty, short-term responses, damaging relationships with partners and confidence in the ability of government to deliver, as well as wasting taxpayers' money. In the face of current pressures for swift action on asylum accommodation, the Home Office must learn the lessons from its previous mistakes and avoid cutting corners in a rush to deliver short-term solutions without a clear strategy.

The Home Office's future strategy

178. The current asylum accommodation contracts come to an end in 2029 and have a break clause that can be activated from 2026. The Home Office considered making major changes to the asylum accommodation system prior to the end of the previous set of contracts, but did not leave itself enough time to design and implement a radically different model. As a result, the Home Office instead chose to commission a regional service delivered by private providers, similar to the one it commissioned in 2012.³⁸¹ The Home Office has an opportunity to implement a radically new strategy for asylum accommodation at the end of the current contracts, but only if it gives itself sufficient time to design and implement a new approach.

378 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

379 [Q58](#)

380 West Midlands Strategic Migration Partnership ([AAC0125](#))

381 National Audit Office, [Asylum accommodation and support](#), Report by the Comptroller and Auditor General, HC (2019–21) 375, 3 July 2020, p6

- 179.** The department told us that its future strategy will focus on the use of medium-sized sites—accommodating between 200 and 700 people—such as empty tower blocks, teacher training colleges, and student accommodation.³⁸² Current accommodation providers have been engaging with the Home Office on the development of medium sites for several years and have put forward proposals for medium sites that ultimately did not go forward.³⁸³ We heard that while medium sites held potential, there are considerable barriers to delivering them, including requirements for planning permission. Investment and time is often needed to bring potential medium sites up to standard.³⁸⁴ It is therefore unclear how many bedspaces might realistically be able to be provided through medium sites.
- 180.** Depending on their placement, medium sites also run the risk of creating or exacerbating inequitable and potentially unsustainable pressures on local authorities. In Chapter Four we criticised the Home Office’s approach to identifying and addressing the impact of asylum accommodation on local areas, and called for a package of reforms to address this—the department will need to respond positively to this recommendation if its plans for medium sites are to be successful. The placement of face-to-face support within medium sites—as currently exists at Wethersfield—and early, genuine engagement with local authorities, may go some way to mitigating the pressures on local areas of medium sites. While it is too soon to judge whether medium sites will be a success, or the proportion of demand for asylum accommodation they might realistically be able to meet, the Home Office has not yet demonstrated it has a clear and achievable plan for the delivery of medium sites on a scale it needs. Depending on their size and location, medium sites also risk becoming a focal point for community tensions. We have called on the Home Office to improve how it engages with local communities about its approach to asylum accommodation, and the department will need to improve its public engagement if it wishes to maintain the confidence of communities where medium sites are located.
- 181.** The only “large site” currently in operation is RAF Wethersfield. Having previously said that they would move away from the use of large sites, the Government has recently indicated that it is now considering the use of large sites in its approach.³⁸⁵ As we have outlined, and as the National Audit Office and Public Accounts Committee have meticulously exposed, the Home Office has repeatedly made the mistake of rushing to open sites, cutting corners and wasting considerable amounts of taxpayers’ money.³⁸⁶ The then

382 [Q369](#)

383 Serco Ltd ([AAC0145](#)), Mears Group ([AAC0143](#)), Clearsprings Ready Homes ([AAC0146](#))

384 [Qq190–191](#)

385 HC Deb, 15 September 2025, [col 1177](#)

386 National Audit Office, [Investigation into asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2023–24) 635, 20 March 2024, para 18, Public Accounts Committee, Thirty-Fourth Report of Session 2023–24, [Asylum Accommodation](#)

Permanent Secretary Matthew Rycroft told the Public Accounts Committee in December 2024 that the Home Office had learned “more than 1,000” lessons from the large sites programme.³⁸⁷ It is essential that the Home Office actually applies these lessons, and does not make the same mistakes again. We saw at Wethersfield the elements that are necessary to make larger sites work: consistent Home Office presence and oversight; strong partnership working with local services; a focus on delivering adequate food and onsite services to mitigate the impacts of isolation; provision of onsite asylum interviews; and clear and consistent communication to asylum seekers about how long they will be accommodated at the site. These elements were not present when Wethersfield was opened, and were only considered after the site had been operating for many months, despite the Home Office’s experience of operating a similar site at Napier Barracks since 2020. While it has made progress in the operational management of the site, the Home Office still does not have an appropriate performance management regime in place for Wethersfield.³⁸⁸

- 182.** As with medium sites, there are also risks of perpetuating inequitable pressures through the use of large sites. Large sites also draw more media attention and scrutiny, creating additional operational pressures. In principle, large sites can provide suitable temporary accommodation, especially in comparison to hotels, which usually lack the facilities of large sites. Large sites will not enable the department to drive down costs in the same way as expanding Dispersal Accommodation, as they are significantly more expensive than traditional Dispersal Accommodation. Large sites have also generally proved costlier than hotels.³⁸⁹ Based on latest Home Office estimates the per person, per night cost of accommodating a person at Wethersfield is cheaper than the current cost of hotels (£132 per person per night, compared to £144.98), although this does not include set up costs.³⁹⁰ If the department chooses to pursue large sites, it needs to fully understand and accept the trade offs. Careful preparation, due diligence and effective operational management will be required.

[and UK-Rwanda Partnership](#), HC 639, conclusion 2, National Audit Office, [Investigation into the acquisition of the Northeye site for asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2024–25) 305, 15 November 2024, para 12

387 Oral evidence taken by the Public Accounts Committee on 9 December 2024, [Q15](#)

388 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

389 National Audit Office, [Investigation into asylum accommodation](#), Report by the Comptroller and Auditor General, HC (2023–24) 635, 20 March 2024, paras 11

390 Letter from the Minister for Border Security and Asylum to the Chair relating to asylum accommodation, [8 October 2025](#)

- 183.** The Home Office is also undertaking pilots with local authorities to explore more localised models of support.³⁹¹ The department did not provide a timeline for the completion of the pilots or for the development of a new strategy based on the findings, but told us that it will “take years of work to evolve a full strategy that is fully mobilised”.³⁹² The department is considering the use of bridging contracts for the provision of accommodation while these pilots take place.³⁹³
- 184.** The Government has made an ambitious commitment to end the use of hotels for the accommodation of asylum seekers by the end of this parliament, but has yet to make significant progress on this pledge. There were 8% more asylum seekers accommodated in hotels in June 2025 than there were in June 2024.³⁹⁴ To substantially reduce hotel use, the Home Office will need to bring down the overall number of asylum seekers in the system. The Government has committed to clearing the backlog, reforming the asylum system and bringing down irregular arrivals by tackling Organised Immigration Crime. While it is unclear how successful the Government will be at reducing the number of people within the asylum system, in the immediate term the Home Office needs to ensure the delivery of sufficient alternative accommodation to reduce reliance on Contingency hotels.
- 185.** The scale of hotel use since 2020 has been unprecedented, but hotels have been used as Contingency Accommodation for asylum seekers at a much smaller scale for many years. Under the previous contracts, 1,747 asylum seekers were accommodated in hotels at peak usage in 2016.³⁹⁵ Dr Jonathan Darling told us that it is “politically quite dangerous” to commit to ending the use of hotels entirely, as hotels have formed part of the asylum accommodation system since the inception of the Dispersal Policy.³⁹⁶ Driving down hotel use is rightly a Government priority, but committing to the total elimination of hotel use, in the absence of a clear strategy for standing up alternative accommodation, risks undermining trust and increasing tensions. Demand for asylum accommodation will always fluctuate, and the Home Office needs to be able to respond to spikes in demand for accommodation. If the Home Office is to eliminate hotel use, it will need to develop an alternative, flexible model for the delivery of Contingency Accommodation. Previously, the Home Office has made short-sighted and poor decisions to try to meet over-ambitious commitments to end hotel use. The then Home Secretary told the House in September:

391 [Q363](#)

392 [Q362](#)

393 [Q363](#)

394 Home Office, [Immigration system statistics data tables](#), Asylum seekers in receipt of support detailed datasets, year ending June 2025, Table ASY_D09

395 National Audit Office, [Asylum accommodation and support](#), Report by the Comptroller and Auditor General, HC (2019–21) 375, 3 July 2020, para 3.17

396 [Q8](#)

a party that wants to be in government should have a proper plan for the whole country, and not just promote a chaotic approach that ends up making things worse in lots of areas.³⁹⁷

We agree. The Home Office should not allow the pressure to close hotels to force it into another cycle of short-term, costly decisions. The department's priority should be to deliver a strategy that works in the long term.

186. CONCLUSION

The 2026 break clause and the end of the contracts in 2029 represent an opportunity to draw a line under the current failed, chaotic and expensive system and move to a model that is more effective and offers value for money. While the Home Office is considering options, it has not yet shared a clear strategy for the delivery of a sustainable accommodation system. Moreover, there has been little clarity from ministers even regarding the basis on which they will make a decision on using the break clause. There is a serious risk that if the Home Office does not expedite the development of a long-term strategy for the future delivery of asylum accommodation, when it is time to replace the current contracts the department will find itself in a similar position to that of 2019, with limited choices as to how it secures accommodation.

187. CONCLUSION

The Government has committed to ending the use of hotels to house asylum seekers by the end of this Parliament. Ministers have yet to set out a fully articulated plan with clear milestones for how the Government will deliver a significant reduction in the use of hotels while maintaining flexible capacity in the system. We recognise that the Home Office faces an extremely difficult task, and there are no quick or easy solutions to ending the use of hotels. Due to the inherent unpredictability of the need for asylum accommodation, use of hotels as Contingency Accommodation has proved an essential backstop in the system for years. This experience suggests that it is unwise for the Government to box itself in by ruling out options. The Government must be honest about the challenges it faces if it is to avoid undermining public confidence still further by making commitments that it cannot expect to keep.

397 HC Deb, 1 September 2025, [col 30](#)

188. RECOMMENDATION

We recommend that the Government set out a clear, credible strategy for how it will reduce the use of asylum hotels and deliver a sustainable system of asylum accommodation. This strategy should include a realistic timeframe and achievable milestones to ensure that the Home Office has enough time to implement its strategy, in anticipation of the 2026 break clause and the end of the contracts in 2029. The outcome of the pilots being conducted to inform the strategy should be shared with the Committee. The Government should publish details of its overarching strategy for delivering asylum accommodation—in the interests of transparency and accountability—and share detailed plans with key partners, whose engagement will be crucial to its successful implementation.

Decentralisation

- 189.** Local authorities have previously had a greater role in the delivery of asylum accommodation, having been responsible for accommodating asylum seekers in their area prior to the introduction of Dispersal in 2000. From 2000 to 2012, asylum accommodation was delivered on behalf of the Home Office by a mixture of providers, including private companies, housing associations and consortia of local authorities.³⁹⁸ Since the delivery of asylum accommodation was contracted to private suppliers there have been new calls for the decentralisation of the management of asylum accommodation to local government.³⁹⁹
- 190.** We discussed in Chapter Four the need for greater consideration of local impacts and improved engagement and joint working with local authorities on the asylum accommodation system. Giving local authorities a greater role in the delivery of asylum accommodation could address some of these issues—having local authorities lead on asylum accommodation could enable them to co-ordinate the delivery of accommodation for asylum seekers with the provision of housing for other cohorts, reducing risks of cross competition and creating opportunities to integrate the delivery of housing for asylum seekers with other homeless groups.⁴⁰⁰ In Chapter Three we noted that elements of the support for asylum seekers leaving accommodation could be better delivered locally—a decentralised system could support the delivery of this.

398 Institute for Public Policy Research, [Transforming asylum accommodation](#), October 2024, p 12

399 Institute for Public Policy Research ([AAC0102](#)), section 8.3

400 [Q35](#)

- 191.** While decentralisation presents some opportunities, we are sceptical that a local authority-led system, on its own, would be effective in solving the significant challenges associated with delivering asylum accommodation. Local authority representatives warned us that radical changes to the system on their own would not address the systemic challenges associated with the asylum accommodation system. Cllr Peter Mason told us that “changing the agent in the system is not going to change the system,” and that systemic changing to housing is needed to address the challenges the country currently faces.⁴⁰¹ Greater Manchester Deputy Mayor Paul Dennett told us it would be “absolute madness” to hand the delivery of asylum accommodation to local government in its current state.⁴⁰² There are also issues with housing currently provided by local authorities—the Housing, Communities and Local Government Committee received extensive evidence of homeless families placed in inadequate and unsafe temporary accommodation by local authorities.⁴⁰³
- 192.** Not all local authorities will be willing to take on a greater role in the delivery of asylum accommodation—the Local Government Association has emphasised that participation in pilots to test more local models must remain voluntary.⁴⁰⁴ Without the willing engagement of all local authorities, a fully decentralised system would not be practical. As we have indicated earlier, if the delivery of accommodation is decentralised in some areas, the Home Office will need to ensure there are mechanisms in place to ensure fair distribution of accommodation across the country.
- 193.** Asylum accommodation is delivered at a local government level in countries that have greater levels of devolution than the UK, such as Germany, Switzerland and Austria.⁴⁰⁵ The IPPR has suggested that under a decentralised system, management of asylum accommodation could be taken on at regional level by Strategic Migration Partnerships, combined authorities or local authority consortia, or governments in the devolved nations.⁴⁰⁶ Strong regional infrastructure would be required to enable the delivery of accommodation under such a system—Strategic Migration Partnerships have had an important role in the co-ordination of the asylum accommodation system, but there are inconsistencies in the scope and work

401 [Q115](#)

402 [Q114](#)

403 Housing, Communities and Local Government Committee, First Report of Session 2024–25, [England’s Homeless Children: The crisis in temporary accommodation](#), HC 338 paras 12–15

404 Local Government Association ([AAC0144](#)) section 2.7

405 [Q81](#)

406 Institute for Public Policy Research ([AAC0102](#)) para 8.3.2–3

of these partnerships.⁴⁰⁷ The Home Office would need to ensure adequate investment and capacity in Strategic Migration Partnerships to effectively support a decentralised model.

- 194.** Without legislative change, the Home Office would still be ultimately responsible for the delivery of adequate accommodation under a decentralised system. Shifting to a decentralised system could increase the burden on the Home Office and exacerbate existing challenges of oversight, as there would be a larger number of organisations involved in the co-ordination and delivery of accommodation. In Chapter Two, we found that the Home Office had failed to ensure effective oversight of the asylum accommodation contracts. If it is to pursue a decentralised system, the Home Office will need to clearly articulate its role in of management and oversight of the system, and ensure it is adequately resourced.
- 195.** The Government is currently exploring localised models for the delivery of asylum accommodation—although there is limited detail about the models that are being explored.⁴⁰⁸ The then Minister for Border Security and Asylum told us that 198 local authorities had expressed interest in participating in the pilots to test localised models of support.⁴⁰⁹ Local authority representatives expressed support for testing different approaches to asylum accommodation and support in the run up to the end of contracts, but warned that challenges associated with accommodation supply, local government capacity and funding present significant risks.⁴¹⁰
- 196.** The challenges of asylum accommodation cannot be seen separately from the broader housing crisis and the shortage of affordable housing. The Home Office’s asylum accommodation strategy will need to be consistent with, and reflected in, the Government’s wider housing strategy if it is to be successful.⁴¹¹ Any pilots need to form part of a wider strategy that addresses housing market challenges. We heard support from local authorities for investment to enable councils to acquire empty properties for use as asylum accommodation.⁴¹² A capital funding project focused purely on asylum seekers runs the risk of increasing frustrations among local residents by reinforcing the perception that asylum seekers are being prioritised. Cross-departmental investment in temporary accommodation that is suitable for asylum seekers, and for others the local authority is responsible for accommodating, could prove more cost effective while also mitigating these tensions. It is therefore positive that the Government has announced £500 million in funding to support local authorities to make available “basic”

407 Professor Jonathan Darling ([AAC0140](#)) section 2

408 [Q344](#)

409 [Q344](#)

410 Local Government Association ([AAC0144](#)) section 7

411 [Q115](#)

412 Local Government Association ([AAC0084](#)) section 2.1, [Q105](#)

temporary accommodation for asylum seekers, with the ambition that in the long term this investment contributes to housing for local communities.⁴¹³ This funding alone will of course not be sufficient to deliver the scale of accommodation necessary, but is nonetheless a welcome step.

197. CONCLUSION

There is no one solution that will solve the fundamental challenges of delivering asylum accommodation on the required scale, and the Home Office cannot simply sub-contract responsibility to local government or private companies—ministers must have effective control and oversight. Regardless of the model the Home Office adopts, working in partnership with local stakeholders nevertheless remains essential, and the Home Office should work with the Ministry of Housing, Communities and Local Government and local government to shape a future approach that is more locally led but better centrally coordinated.

198. CONCLUSION

In principle, a decentralised model could provide a viable alternative to a centralised system that has simply not worked. A more localised approach could have a number of benefits, in particular enabling greater co-ordination between asylum accommodation and other services. Delivering such a system effectively will require resources, time and a clear strategy. Shifting to localised delivery would not by itself deal with the challenges inherent in the system, and could create new risks, such as increasing fragmentation, and exacerbate existing problems, such as poor central oversight. Fairness and equity, rather than cost, should be paramount regardless of the system used. The Home Office remains ultimately responsible for the asylum accommodation system, regardless of who is leading on delivery on the ground. That should not change; but it must ensure it devotes the necessary resources to overseeing the system. If the Home Office chooses to pursue a more decentralised model for the delivery of asylum accommodation, it needs to develop a strategy for capitalising on the opportunities presented by decentralisation while addressing the considerable challenges.

413 Letter from the Prime Minister to the Chair of the Liaison Committee, [12 August 2025](#)

Conclusions and recommendations

Ensuring value for money

Over-reliance on Contingency Accommodation

1. Instead of acting as a short-term contingency measure, the use of hotels has become a widespread and embedded part of the asylum accommodation system, increasing the cost of the asylum accommodation contracts by billions of pounds beyond the original forecast. This is the result of a series of failures by the Home Office in the design of the original contracts, and a manifest failure by the Home Office to grip the contracts and respond to increasing demand. The evidence we have examined leads us to conclude that providers can reap greater profits by prioritising the use of hotels over procuring other, more suitable forms of accommodation. Going forward, the Government will need to design a system that can flexibly respond to fluctuating demand while setting appropriate incentives for providers to maintain value for money. (Conclusion, Paragraph 31)
2. We recommend that the Home Office sets out plans for an asylum accommodation system that can flexibly respond to changing demand, whilst minimising potential costs to the taxpayer. In the short term, the Home Office should identify and implement any possible action it can take to direct and incentivise providers to identify alternative accommodation and exit hotels. The Home Office should also give urgent consideration to the practical implications of exercising the contractual break clauses, that become exercisable from March 2026. The Home Office should ensure that the design of future contracts from 2029 onwards is sufficiently flexible to respond to changing demand, while protecting value for money, and provides the necessary levers to ensure providers deliver appropriate accommodation. (Recommendation, Paragraph 32)

Contract management

3. We are persuaded by the evidence we have heard that, in the last Parliament, the Home Office focused on pursuing high-risk, poorly planned policy solutions and lost sight of the day-to-day work of effectively managing the asylum accommodation contracts. Failures of leadership at a senior level, shifting priorities, and political and operational pressure for quick results meant that the department was incapable of getting a grip of the situation, and allowed costs to spiral. The Home Office failed to undertake basic due diligence as it tried to respond to increased demand, most notably in the delivery of large sites, and has deprioritised the fundamentals of contract management. The Home Office was undoubtedly operating in an extremely challenging environment, but its chaotic response demonstrated that it was not up to this challenge. (Conclusion, Paragraph 42)
4. The Home Office was warned repeatedly that it needed to ensure it had adequate commercial and contract management capacity, but did not learn this lesson. Failure to do so left it unprepared to respond to the surge in demand for asylum accommodation. The department's failure to recognise early on that the rapidly expanding value and complexity of the contracts would require additional resource and active management is unacceptable. We welcome the Home Office's more recent capacity building and improvements to contract management, but this has come much too late. Given the department's propensity for reprioritising staff and resources, we are also concerned that effective contract management may be deprioritised over time, risking similar failings as and when the next crisis arises. (Conclusion, Paragraph 43)
5. The Home Office should set out plans for enhancing and maintaining its commercial and contract management capability, to ensure that it has the skills and resources necessary to effectively manage the delivery of the contracts and control the costs of asylum accommodation. This essential capability should be embedded as a core function of the department's operations, with clear accountability to prevent a decline in operational effectiveness over time. The Home Office should institute a consistent and systematic approach to the performance management of its officials and internal capabilities. Given these contracts will continue to cost vast sums of taxpayer money, the Home Office must ensure it acquires the capacity to manage them in a competent way. (Recommendation, Paragraph 44)

Oversight of provider performance

6. The Home Office has neglected the oversight and assurance of performance of providers delivering multi-billion pound contracts. The department has been over-reliant on self-reporting of performance by providers and failed to invest in the assurance capacity necessary to properly monitor performance. As a result, the Home Office has not been able to monitor effectively whether providers are delivering the standards required by the contracts. The department has strengthened its capacity more recently, and this increased resource is welcome, but we are still not convinced that the Home Office has sufficient oversight of the performance of contract providers to effectively hold them to account. (Conclusion, Paragraph 52)
7. The Home Office has not taken a sufficiently robust approach to applying financial penalties for poor performance by providers. These have been applied late, if at all, with no explanation of why maximum penalties haven't been applied. The Home Office does not financially penalise providers for performance failures at hotels, Napier Barracks and Wethersfield. This is an inexplicable and unacceptable failure of accountability. The department's independent audit of data on performance against KPIs in the asylum accommodation contracts is welcome but long overdue. (Conclusion, Paragraph 53)
8. The Home Office should establish a clear process for routinely assuring KPI data submitted by asylum accommodation providers and applying service credits where providers fail to meet the terms of the contract. There should be a clear and transparent framework for decisions about when service credits are applied in full, in part, or waived. Service credits for performance failures should be applied across all types of accommodation. The Home Office should ensure that the inspection and assurance regime is proportionate to the value of the contracts. (Recommendation, Paragraph 54)
9. The work of the Independent Chief Inspector of Borders and Immigration (ICIBI) provides essential scrutiny of the delivery of asylum accommodation. The work of the ICIBI does not reduce the need for systematic assurance, but in the absence of adequate oversight by the Home Office, the role of the ICIBI is crucial. The ICIBI does not have access to commercial contracts, which undermines transparency and the ability of the inspectorate to scrutinise the Home Office's approach. (Conclusion, Paragraph 55)
10. The Independent Chief Inspector of Borders and Immigration should be given access to commercial contracts so they can be properly scrutinised. The legislation underpinning the Inspector's role should be amended if necessary to achieve this. (Recommendation, Paragraph 56)

11. The failings in the current performance management regime mean that the Home Office is not able to properly hold its providers to account. The Home Office has had more than enough time to identify and address the deficiencies in the current Key Performance Indicator framework. Given the increased public prominence and growth in the cost of asylum accommodation, it is unacceptable that the performance management regime remains under review, with no substantive changes, more than two years after the Independent Commission for Aid Impact identified shortcomings in the regime. (Conclusion, Paragraph 57)
12. The Home Office should, as a matter of urgency, agree new KPIs with contract providers. In future the KPI regime should be reviewed regularly to ensure that it remains appropriate and relevant. (Recommendation, Paragraph 58)

Oversight of subcontractors

13. Stay Belvedere Hotels Ltd was operating as a major subcontractor from 2019 onwards, but the Home Office only became aware of issues with the company within the last year. It was only after these issues came to light that the Home Office identified that Clearsprings had not been providing an appropriate level of information about their major subcontractors. We have seen no evidence that the Home Office has maintained adequate oversight of subcontracting arrangements. (Conclusion, Paragraph 64)
14. We recommend that the Home Office reports back to us in its response to this report on the outcome of its audit of asylum accommodation subcontractors and implements a clear process for how it will regularly review significant subcontractors. It should also increase transparency about which companies are responsible for delivering asylum accommodation. In the interests of transparency, the Home Office should write to the Committee as soon as it is able, to provide a full account of the circumstances of the termination of Stay Belvedere Hotels Ltd as a subcontractor. (Recommendation, Paragraph 65)

Provider profits

15. It is extremely disappointing that the Home Office only appears to have started the process for recouping excess profits from accommodation providers in 2024. Accommodation providers told us they had tens of millions waiting to be returned to the Home Office. This money should be supporting the delivery of public services, not sitting in the bank accounts of private businesses. (Conclusion, Paragraph 70)
16. The Home Office should conclude the process of recouping excess profits for past years as quickly as possible and set out the amounts that have been returned to the department by contract providers. The Home Office should put in place an annual process for auditing profit share data submitted by contract providers and recouping any excess profits due. The department should report to Parliament on the outcome of this annual process. (Recommendation, Paragraph 71)
17. Despite provider profit margins being at the lower end of the Home Office's original estimate, the way the profit share clause was designed means that as the value of the contracts has increased, providers have been able to make significantly higher cash profits than was anticipated when the contracts were set up. We are frustrated that the Home Office has left itself without a mechanism to prevent providers making excessive profits as the contract value has increased, largely due to the ongoing use of hotels. (Conclusion, Paragraph 72)
18. The Home Office should ensure that profit share clauses in future contracts take account of not just profit margins but also the cash value of profits, so that contract providers cannot benefit so substantially from increased demand for and changes to the type and/or base costs of asylum accommodation. (Recommendation, Paragraph 73)

Standards of accommodation and support

Adequacy of accommodation

19. The quality of accommodation is highly variable across the country. While there is clearly accommodation of an acceptable standard, too many asylum seekers continue to be placed in accommodation that is inadequate or deeply unsuitable. The accommodation asylum seekers are housed in should be adequate, and it is unacceptable that significant amounts of taxpayers' money is being used to house often vulnerable people in sub-standard accommodation. The Home Office is ultimately responsible for ensuring asylum seekers are accommodated appropriately, and to fulfil this responsibility the department must hold providers to account

where they fail to deliver the service they are being paid for. We have recommended earlier in this report that the Home Office strengthen its approach to performance management and oversight of these contracts. This is essential to ensure that vulnerable people are housed in adequate conditions. (Conclusion, Paragraph 80)

Large sites and former military barracks

20. Long stays in inappropriate hotels are often deeply harmful to the people accommodated there. Local services are left to respond to these impacts and fill the gaps where the basic needs of asylum seekers are not being met. The use of hotels has at times had a significant impact on community cohesion, which cannot be underestimated. The closure of hotels should therefore help reduce the number of cases where asylum seekers are placed in inappropriate accommodation, and ease local tensions. (Conclusion, Paragraph 88)
21. When planning the closure of the hotels, the Home Office should prioritise the closure of manifestly unsuitable hotels—such as those in remote areas and near limited infrastructure—that cause the most harm to their residents and place the most pressure on local services, and also the closure of hotels in areas that have experienced significant community cohesion issues. The Home Office should work with local partners to develop a prioritisation process to support the early closure of the least suitable hotels. (Recommendation, Paragraph 89)

Communication with asylum seekers

22. Communication with asylum seekers is inconsistent and often inadequate. Communication can be particularly poor when asylum seekers are moved between accommodation sites, which can happen with practically no notice. (Conclusion, Paragraph 93)
23. We recommend that the Home Office sets clear standards for providers to communicate with asylum seekers about their accommodation and support, including minimum notice periods for moving asylum seekers to new accommodation. The department should regularly monitor provider practices to ensure these standards are being met and take corrective action where necessary. (Recommendation, Paragraph 94)

The Advice, Issue Reporting and Eligibility (AIRE) service

- 24.** The Advice, Issue Reporting and Eligibility Contract (AIRE) service delivered by Migrant Help has not been able to meet demand, and the Home Office has failed to effectively manage the performance of the service. We recognise that Migrant Help has delivered the service in a very difficult operating environment. However, given the critical nature of this service, in both ensuring asylum seekers are able to raise issues and secure advice through the asylum process, and in enabling the Home Office to have oversight of its accommodation providers, it is essential that the Home Office ensures an adequate service is delivered. (Conclusion, Paragraph 107)
- 25.** The Home Office should take urgent action to address the performance of Migrant Help. If Migrant Help is unable to fulfil the Advice, Issue Reporting, and Eligibility (AIRE) contract to an acceptable standard, the Home Office should find an alternative provider or consider alternative ways of delivering the essential services provided under this contract. (Recommendation, Paragraph 108)
- 26.** Migrant Help is not contracted to follow up on or monitor issues and does not have sight of the response from providers and the Home Office. This creates a significant gap in accountability. We recognise the value of enabling asylum seekers to raise concerns separately from accommodation providers and the Home Office itself. However, to ensure that concerns are addressed appropriately this system must have appropriate mechanisms for follow up and end-to-end oversight of issues and complaints. These do not currently exist. (Conclusion, Paragraph 109)
- 27.** While we recognise the value of having an independent, national reporting mechanism for issues with asylum accommodation, we are not convinced that all elements of this service should be delivered through a centralised system. It was therefore encouraging to hear that the Home Office is considering more localised models for the delivery of support. (Conclusion, Paragraph 110)
- 28.** We recommend that the Home Office reviews the structure and remit of the AIRE service, to identify changes that could be made to ensure the service delivers what is required. The Home Office should report back to us on the outcome of its consideration of how the advice and issue reporting system can best be delivered in the future. This should include an assessment of opportunities for delivering elements of this service at a local level, and possible mechanisms for follow up and end-to-end oversight of issues and complaints raised by asylum seekers. (Recommendation, Paragraph 111)

Safeguarding

- 29.** We are deeply concerned by the volume of evidence indicating significant safeguarding failings in asylum accommodation. While there are evidently pockets of localised good practice, the response to safeguarding concerns is inconsistent and often inadequate, leaving vulnerable people at risk of harm. We are particularly concerned that the Home Office does not currently have adequate understanding and oversight of vulnerabilities and potential safeguarding issues among asylum seekers it accommodates. While accommodation providers have safeguarding requirements, performance on safeguarding is not measured and failure to meet these requirements does not lead to financial penalties for providers. It is essential that the Home Office works to ensure that vulnerable people in its accommodation are safeguarded and that providers are upholding safeguarding standards. (Conclusion, Paragraph 120)
- 30.** We recommend that the Home Office strengthens its approach to safeguarding by:
- a.** Ensuring that there is a robust framework for overseeing and auditing how safeguarding policies and processes are applied on the ground by contractors and subcontractors;
 - b.** Ensuring that staff working directly with asylum seekers receive adequate safeguarding training;
 - c.** Setting performance measures for safeguarding in the contracts, which allow the department to penalise providers who fail to meet safeguarding standards;
 - d.** Urgently reviewing its processes for identifying risks and vulnerabilities and sharing these with accommodation providers and statutory partners; and
 - e.** Using the data it receives through the Safeguarding Hub to more proactively monitor safeguarding concerns, including outcomes of incidents and referrals. (Recommendation, Paragraph 121)

Unaccompanied Asylum-Seeking Children

31. There are significant failings in the current processes for making initial decisions about age and unreliable decisions are still leading to children being incorrectly placed in adult accommodation. We do not have confidence that the arrangements for accommodation providers to identify and refer age dispute cases to the relevant local authority are consistently working as they should. This risks children being incorrectly accommodated in the adult asylum system, often in a shared room. This is a serious safeguarding issue. We welcome the department's acceptance of the Independent Chief Inspector of Borders and Immigration's recommendations to improve its age assessment processes. (Conclusion, Paragraph 128)
32. The Home Office should review and make improvements to arrangements for identifying and responding to age dispute cases in adult asylum accommodation and ensure that there is clear guidance for accommodation providers. To protect the welfare of children in the asylum system the department must ensure that provider staff have adequate training to respond appropriately to such cases, and that information is consistently shared with local authorities. The Home Office should also establish a mechanism to monitor provider compliance with guidance and training requirements, ensuring that safeguarding responsibilities are being met in practice. (Recommendation, Paragraph 129)

Impacts on local areas

The distribution of accommodation

33. The use of hotels for asylum accommodation was intended to be a short-term, contingency measure and consequently people in Contingency Accommodation do not "count" towards the Home Office's plans for the distribution of asylum seekers across the country. In practice, there are Contingency hotels that have been open in some areas for years and may not close for some time, including hotels that were opened without even informing the local authority. Given the long-term use of many hotels, and the high proportion of asylum seekers currently accommodated in these hotels, the failure to join up the procurement of Dispersal and Contingency Accommodation is unfair on local authorities and unacceptable. The factors considered when setting targets for Dispersal Accommodation—such as homelessness pressures and arrivals on humanitarian schemes—should also be considered when deciding to open, or close, Contingency hotels. (Conclusion, Paragraph 140)

34. We recommend that the Home Office amends the indexing tool used to develop targets for the distribution of asylum seekers across the country so that it accounts for use of Contingency Accommodation. We also recommend that the Home Office ensures that accommodation providers take account of existing Contingency and Dispersal Accommodation—and other factors included in the indexing tool—when identifying any new Contingency Accommodation sites. (Recommendation, Paragraph 141)
35. The Home Office has failed to achieve its targets for an equitable distribution of asylum seekers. Asylum accommodation is still heavily concentrated in particular areas, often areas of high deprivation. Many local authorities do not have faith that the department will achieve a fair and equitable distribution of accommodation. The Home Office has failed to ensure providers deliver in line with its plans—something that should have been considered when the contracts were set up—and has not succeeded in allaying concerns that providers are procuring on the basis of cost, rather than equity. We recognise that there are substantial barriers to achieving the plans in some areas, due to the broader failure of house building rates and access to services to keep pace with population growth, but we have seen no evidence that the Home Office has a credible plan for meeting its targets to make the distribution of asylum accommodation more equitable. (Conclusion, Paragraph 154)
36. We recommend that the Home Office set out the steps it will take to overcome barriers to the delivery of a fairer distribution of accommodation and improve engagement with local authorities on how best to address barriers to procurement. Local authorities are the experts on their areas, and the Home Office should consult them on price caps for procuring accommodation. The Home Office should work with local authorities and Strategic Migration Partnerships to understand where spending on asylum accommodation can be invested in local housing and bring benefits to local communities, such as through renovating existing housing, repurposing appropriate buildings, fixing void accommodation, or building new housing. The Home Office should ensure that the future contracts provide them with stronger levers to direct providers to procure accommodation in line with Home Office requirements. (Recommendation, Paragraph 155)

Pressure on local services

- 37.** The Home Office has failed to properly consider the impacts of its approach to the delivery of asylum accommodation on local areas and to engage early with local partners to understand what these impacts might be. It is inexplicable that the Home Office has placed no obligation on providers to assess impacts on local areas. Failures to identify and mitigate impacts, compounded by the disproportionate distribution of accommodation, has led to some local services experiencing unsustainable pressures. This failure to recognise broader impacts can be seen in the pressures experienced by local authorities in areas where significant numbers of asylum seekers have received positive decisions and subsequently become homeless. These pressures have been exacerbated by inconsistent communication and inadequate data sharing, which has undermined the ability of local partners to respond effectively to the placement of asylum seekers in their area. (Conclusion, Paragraph 165)
- 38.** We recommend that the Home Office implements a package of reforms to ensure that the impact of asylum accommodation on local areas is accounted for, including by:
- a.** Ensuring that impacts on local services are adequately assessed by providers prior to accommodation being procured;
 - b.** Providing local authorities with at least 28 days' notice of the use of new Contingency Accommodation;
 - c.** Reinstating the 56 day notice period for asylum seekers who have received a positive decision; and
 - d.** Collaborating with local authorities to develop a clear data-sharing standard which sets out what information should be shared with partners, and when. The Home Office should also ensure that data is shared consistently across different providers and the different regions. This could be reflected in a new KPI regime. (Recommendation, Paragraph 166)

Community cohesion

39. For too long, the Home Office has not prioritised community cohesion in its approach to asylum accommodation, no doubt at least partly because that is the responsibility of another department. The Home Office has failed to properly engage with local communities, and as a result has missed opportunities to proactively communicate its approach to asylum accommodation and address local concerns. The lack of engagement and transparency has left space for misinformation and mistrust to grow, which in too many areas has led to tensions and undermined the ability of local partners to promote social cohesion. (Conclusion, Paragraph 172)
40. The Home Office should work with other government departments, local authorities, devolved administrations and community groups to improve communication with local communities about the use of asylum accommodation in their areas. This should include communicating how legitimate concerns are being addressed and ensuring that misinformation is challenged. (Recommendation, Paragraph 173)

The Home Office's strategy

41. The Home Office has not demonstrated that it has had a strategy for the delivery of asylum accommodation. The department's approach has instead been a series of hasty, short-term responses, damaging relationships with partners and confidence in the ability of government to deliver, as well as wasting taxpayers' money. In the face of current pressures for swift action on asylum accommodation, the Home Office must learn the lessons from its previous mistakes and avoid cutting corners in a rush to deliver short-term solutions without a clear strategy. (Conclusion, Paragraph 177)

The Home Office's future strategy

42. The 2026 break clause and the end of the contracts in 2029 represent an opportunity to draw a line under the current failed, chaotic and expensive system and move to a model that is more effective and offers value for money. While the Home Office is considering options, it has not yet shared a clear strategy for the delivery of a sustainable accommodation system. Moreover, there has been little clarity from ministers even regarding the basis on which they will make a decision on using the break clause. There is a serious risk that if the Home Office does not expedite the development of a long-term strategy for the future delivery of asylum accommodation, when it is time to replace the current contracts the department will find itself in a similar position to that of 2019, with limited choices as to how it secures accommodation. (Conclusion, Paragraph 186)

43. The Government has committed to ending the use of hotels to house asylum seekers by the end of this Parliament. Ministers have yet to set out a fully articulated plan with clear milestones for how the Government will deliver a significant reduction in the use of hotels while maintaining flexible capacity in the system. We recognise that the Home Office faces an extremely difficult task, and there are no quick or easy solutions to ending the use of hotels. Due to the inherent unpredictability of the need for asylum accommodation, use of hotels as Contingency Accommodation has proved an essential backstop in the system for years. This experience suggests that it is unwise for the Government to box itself in by ruling out options. The Government must be honest about the challenges it faces if it is to avoid undermining public confidence still further by making commitments that it cannot expect to keep. (Conclusion, Paragraph 187)
44. We recommend that the Government set out a clear, credible strategy for how it will reduce the use of asylum hotels and deliver a sustainable system of asylum accommodation. This strategy should include a realistic timeframe and achievable milestones to ensure that the Home Office has enough time to implement its strategy, in anticipation of the 2026 break clause and the end of the contracts in 2029. The outcome of the pilots being conducted to inform the strategy should be shared with the Committee. The Government should publish details of its overarching strategy for delivering asylum accommodation—in the interests of transparency and accountability—and share detailed plans with key partners, whose engagement will be crucial to its successful implementation. (Recommendation, Paragraph 188)
45. There is no one solution that will solve the fundamental challenges of delivering asylum accommodation on the required scale, and the Home Office cannot simply sub-contract responsibility to local government or private companies—ministers must have effective control and oversight. Regardless of the model the Home Office adopts, working in partnership with local stakeholders nevertheless remains essential, and the Home Office should work with the Ministry of Housing, Communities and Local Government and local government to shape a future approach that is more locally led but better centrally coordinated. (Conclusion, Paragraph 197)
46. In principle, a decentralised model could provide a viable alternative to a centralised system that has simply not worked. A more localised approach could have a number of benefits, in particular enabling greater co-ordination between asylum accommodation and other services. Delivering such a system effectively will require resources, time and a clear strategy. Shifting to localised delivery would not by itself deal with the challenges inherent in the system, and could create new risks, such as increasing fragmentation, and exacerbate existing problems, such as poor central oversight. Fairness and equity, rather than cost, should be paramount

regardless of the system used. The Home Office remains ultimately responsible for the asylum accommodation system, regardless of who is leading on delivery on the ground. That should not change; but it must ensure it devotes the necessary resources to overseeing the system. If the Home Office chooses to pursue a more decentralised model for the delivery of asylum accommodation, it needs to develop a strategy for capitalising on the opportunities presented by decentralisation while addressing the considerable challenges. (Conclusion, Paragraph 198)

Formal minutes

Tuesday 14 October 2025

Members present

Karen Bradley, in the Chair

Shaun Davies

Paul Kohler

Ben Maguire

Robbie Moore

Margaret Mullane

Chris Murray

Joani Reid

Bell Ribeiro-Addy

The Home Office's management of asylum accommodation

Draft report (*The Home Office's management of asylum accommodation*), proposed by the Chair, brought up and read.

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

Paragraphs 1 to 198 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Fourth Report 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 (Standing Order No. 134).

Adjournment

Adjourned till 16 October 2025

Witnesses

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

Tuesday 18 March 2025

Sachin Savur, Researcher, Institute for Government; **Dr Lucy Mort**, Senior Research Fellow, Institute for Public Policy Research (IPPR); **Professor Jonathan Darling**, Professor in Human Geography, Durham University [Q1–40](#)

David Bolt, Independent Chief Inspector of Borders and Immigration [Q41–74](#)

Tuesday 29 April 2025

Megan Smith, Solicitor, Deighton Pierce Glynn; **Alex Fraser**, UK Director – Refugee Services and Restoring Family Links, British Red Cross; **Enver Solomon**, Chief Executive Officer, Refugee Council [Q75–96](#)

Natasha Beresford, Interim Strategic Director – Housing & Property Services, Dacorum Borough Council; **Frances McMeeking**, Assistant Chief Officer for Operational Care Services and Homelessness, Glasgow City Health and Social Care Partnership; **Councillor Peter Mason**, Leader, London Borough of Ealing, Board Member at the Local Government Association; **Paul Dennett**, City Mayor, Salford City Council [Q97–115](#)

Tuesday 13 May 2025

Steve Lakey, Managing Director, Clearsprings Ready Homes; **Claudia Sturt**, Prisons and Immigration Director, Serco UK & Europe; **Jason Burt**, Group Director of Health Safety & Compliance, Mears Group [Q116–282](#)

Tuesday 10 June 2025

Dame Angela Eagle DBE, Minister for Border Security and Asylum, Home Office; **Simon Ridley**, Second Permanent Secretary, Home Office; **Joanna Rowland CB**, Director General, Customer Services, Home Office [Q283–391](#)

Tuesday 1 July 2025

Caroline O'Connor, Chief Executive Officer, Migrant Help; **Juliet Halstead**,
Deputy Director of Asylum Services, Migrant Help

[Q392-450](#)

Published written evidence

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

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

1	Action for Refugees in Lewisham	AAC0081
2	Anonymised	AAC0033
3	Anonymised	AAC0042
4	Anonymised	AAC0003
5	Asylum Matters	AAC0034
6	Asylum Support Appeals Project	AAC0011
7	Asylum Welcome; Refugee Support Group Berkshire; and Oxford Brookes' Migration and Refugee Network	AAC0122
8	Baobab Centre for Young Survivors in Exile	AAC0041
9	Barnardo's	AAC0137
10	Barnsley Metropolitan Borough Council	AAC0069
11	Blaenau Gwent County Borough Council; and Torfaen County Borough Council	AAC0030
12	Berg, Professor Mette Louise (Professor of Migration and Diaspora Studies, University College London (UCL)); and Dr Eve Dickson (Senior Research Fellow, University College London (UCL))	AAC0073
13	Bond	AAC0086
14	Braintree District Council	AAC0088
15	Brighton & Hove City Council	AAC0051
16	Bristol Refugee Rights	AAC0007
17	British Institute of Human Rights	AAC0016
18	British Red Cross	AAC0060
19	Buckinghamshire Council	AAC0071
20	Chartered Institute of Housing	AAC0036

21	City of Sanctuary Sheffield; and South Yorkshire Migration and Asylum Action Group	AAC0114
22	City of Wolverhampton Council	AAC0136
23	Clearsprings Ready Homes	AAC0146
24	Clearsprings Ready Homes	AAC0132
25	Convention of Scottish Local Authorities (COSLA)	AAC0124
26	Coventry City Council	AAC0027
27	Croeso Menai	AAC0108
28	Darling, Professor Jonathan (Professor in Human Geography, Durham University)	AAC0120
29	Darling, Professor Jonathan (Professor in Human Geography, Durham University)	AAC0140
30	Deighton Pierce Glynn	AAC0147
31	Deighton Pierce Glynn	AAC0142
32	Deighton Pierce Glynn	AAC0134
33	Devon County Council	AAC0028
34	Displaced People In Action (DPIA)	AAC0067
35	Doctors of the World UK	AAC0126
36	Durham County Council	AAC0063
37	East Midlands Councils	AAC0072
38	East Sussex County Council	AAC0092
39	East of England Strategic Migration Partnership	AAC0077
40	Eastbourne Borough Council	AAC0026
41	Essex County Council	AAC0065
42	Evesham Vale Welcomes Refugees	AAC0010
43	Freedom from Torture	AAC0128
44	Friends of Scottish Settlers (FOSS)	AAC0121
45	Gilbert, Dr Paul (Reader in Development, Justice & Inequality, University of Sussex); Dr Olivia Taylor (Assistant Professor in Geography, University of Sussex); Professor Emma Mawdsley (Professor of Human Geography, University of Cambridge); Dr Jessica Sklair (Lecturer and IHSS Fellow, QMUL); Dr Jo-Anna Russon (Senior Research Fellow, University of Nottingham); and Dr Brendan Whitty (Lecturer in Non-Profit Management, University of St Andrews)	AAC0059

46	Glasgow City Health and Social Care Partnership	AAC0048
47	Glass Door Homeless Charity	AAC0093
48	Good Faith Partnership	AAC0055
49	Greater London Authority	AAC0135
50	Greater Manchester Combined Authority	AAC0070
51	Greater Manchester Immigration Aid Unit (GMIAU)	AAC0052
52	Greater Manchester asylum hotels group	AAC0053
53	Griffiths, Dr Melanie (Associate Professor, University of Birmingham)	AAC0123
54	Guma, Dr Taulant (Lecturer, Edinburgh Napier University); Dr Gavin Maclean (Lecturer, Edinburgh Napier University); Ms Yvonne Blake (Community researcher, Migrants Organising for Rights and Empowerment); and Mr Robert Makutsa (Community researcher, Migrants Organising for Rights and Empowerment)	AAC0054
55	HIAS + JCORE	AAC0076
56	Halton Borough Council	AAC0050
57	Helen Bamber Foundation; and Asylum Aid	AAC0090
58	Hibiscus Initiatives	AAC0109
59	Home Office	AAC0141
60	Home Office	AAC0139
61	Housing Justice Cymru	AAC0085
62	Institute for Government	AAC0023
63	Institute for Public Policy Research (IPPR)	AAC0102
64	Institute for Research into International Migration and Superdiversity (IRiS), University of Birmingham	AAC0008
65	Investing in People and Culture (IPC)	AAC0018
66	JustRight Scotland	AAC0068
67	Käkelä, Dr Emmaleena (Lecturer in Social Policy, Department of Social Work & Social Policy, University of Strathclyde); and Professor Daniela Sime (Professor of Youth, Migration and Social Justice, Department of Social Work & Social Policy, University of Strathclyde)	AAC003
68	Kent County Council	AAC0029
69	Kent Refugee Action Network	AAC0062
70	LGBT Health and Wellbeing	AAC0094

71	Lewes Refugee Support Group	AAC0004
72	Lewisham Council	AAC0096
73	Local Government Association	AAC0144
74	Local Government Association	AAC0084
75	London Councils	AAC0104
76	Maryhill Integration Network	AAC0116
77	Maternity Action	AAC0013
78	Mears Group	AAC0143
79	Mears Group	AAC0057
80	Mental Health Foundation	AAC0017
81	Micro Rainbow	AAC0105
82	Middlesbrough Council	AAC0064
83	Migrant Help	AAC0129
84	Migrants Organise	AAC0044
85	Migration Observatory, University of Oxford	AAC0097
86	Migration Yorkshire	AAC0107
87	Médecins Sans Frontières/Doctors Without Borders (MSF)	AAC0127
88	NHS North West London Integrated Care Board (ICB)	AAC0087
89	Napier Barracks Drop-In Centre CIC	AAC0045
90	National AIDS Trust	AAC0098
91	Nikeaateghad, Sayna (PhD student/ Service Manager, University of Essex/ British Red Cross Refugee Support)	AAC0039
92	North East Migration Partnership	AAC0083
93	North West Regional Strategic Migration Partnership	AAC0111
94	Oasis	AAC0047
95	Oxfordshire Migration Partnership	AAC0095
96	Petie, Miss Olivia (PhD Student, University of Birmingham); and Professor Jenny Phillimore (Professor of Migration and Superdiversity, University of Birmingham)	AAC0113
97	Pinter, Dr Ilona (Researcher, Centre for Analysis of Social Exclusion (CASE), London School of Economics and Political Science (LSE))	AAC0131
98	Portsmouth City Council	AAC0138

99	Powell, Dr Alex (Principal Lecturer in Law and Interim Lead of the Migration and Refugees Research Network, Oxford Brookes University); and Dr Raawiyah Rifath (Lecturer in Law, University of Exeter)	AAC0112
100	Quaker Social Action	AAC0021
101	REACHE (Refugee and Asylum Seekers Centre for Healthcare Professionals Education)	AAC0049
102	Rape Crisis England & Wales; and Imkaan	AAC0043
103	Refugee Action	AAC0009
104	Refugees Welcome in Richmond	AAC0115
105	Russell, Doctor Charlotte Victoria (Postdoctoral Researcher in Criminology, The University of Hull)	AAC0078
106	Sanders, Dr Charlotte (Lecturer in Social Anthropology , SOAS University of London)	AAC0032
107	Scottish Refugee Council	AAC0058
108	Serco Ltd	AAC0145
109	Serco Ltd	AAC0099
110	South East Strategic Partnership for Migration	AAC0075
111	Southampton and Winchester Visitors Group	AAC0006
112	Tamworth Borough Council	AAC0119
113	Turnbull, Mr Luke	AAC0014
114	Wakefield Council	AAC0022
115	Weihmayer, Doctor Melissa (PhD Researcher, London School of Economics and Political Science)	AAC0031
116	Welsh Local Government Association	AAC0133
117	Welsh Refugee Council	AAC0061
118	West Midlands Strategic Migration Partnership (WMSMP)	AAC0125
119	Williams, Dr Lucy; and Cllr Rob Yates	AAC0046
120	Windrush Medical Practice, Witney	AAC0066
121	Women for Refugee Women	AAC0012
122	Wyre Forest Refugee Support Group	AAC0106
123	Yaran Northwest	AAC0019
124	York, Ms Sheona (Solicitor and Reader in Law, Kent Law Clinic)	AAC0038

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1st	Appointment of the Independent Chief Inspector of Borders and Immigration	HC 713
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1st Special	Police response to the 2024 summer disorder: Government Response	HC 1099