



13 April 2022

CONSULTATION TO IMPROVE ARRANGEMENTS FOR ASYLUM ACCOMMODATION DISPERSAL

The Government is fixing the broken asylum system through the work of the Nationality and Borders Bill.

As you are aware, the asylum accommodation system is under enormous pressure because of the significant and sustained increase in asylum intake over the last 12 months and the build-up of the population as a result of Covid-19 related measures, which is placing unsustainable pressure on a limited number of local authorities. This has resulted in over 25,000 asylum seekers being accommodated in temporary contingency accommodation, such as hotels. This is not acceptable; it is not fair on the taxpayers, and it does not offer the right solution for communities or those seeking asylum; it must change.

We are committed to working with local authorities to move to a fairer distribution of asylum seekers. All local authority areas in England, Scotland and Wales will be expected to participate in a new system of full dispersal to allow us to move from hotels to less expensive and more suitable dispersed accommodation. We will start to expand the procurement process across England, Scotland and Wales from today, working closely with local authority areas to make them aware of proposed properties and allow any specific concerns to be raised for consideration.

We will achieve this through three key interventions:

1. To reduce and eliminate the use of hotels for asylum seekers by moving to a full dispersal model for asylum accommodation. This will mean expanding our existing approach of using private rental sector housing to all local authority areas across England, Scotland and Wales.
2. In May, following the local elections, the Home Office will launch an informal consultation with local government to inform how this model will work across England, Scotland and Wales and within regions and nations. The consultation will explore how asylum dispersal can better take account of the other impacts on local authorities, of resettlement and the care of unaccompanied asylum-seeking children.
3. Providing specific funding to recognise the existing contribution of local authorities and for new dispersed accommodation. We will continue to work with local government to capture and evaluate data to understand the impact of asylum dispersal on local authorities going forward.

The arrangements for asylum accommodation are different in Northern Ireland as Northern Ireland does not form part of the asylum dispersal system. My officials will work with

colleagues in Northern Ireland, following the conclusion of their elections on 5 May to identify how they can contribute to this UK wide challenge.

Consultation

The Full Dispersal model will reduce and end the use of hotels by allowing the Home Office to procure dispersal properties within the private rental sector in all local authority areas across England, Scotland and Wales, rather than the minority of local authorities which currently participate, this approach will reduce pressures on those local authorities.

We will work with local authorities, through an informal consultation, to design the details of how the full dispersal system will operate in each region. We will invite views from Devolved Governments, Local Authorities and Non-Government Organisations who have an interest in asylum dispersal and resettlement. The model will consider the impacts on urban and rural areas as well as market capacity and will seek to align asylum dispersal to national population share. It will provide local authorities with more control and autonomy at a regional level by asking them to collectively agree an approach to dispersal in their region. This presents an opportunity for national and local government to work together to ensure the system works better for communities across England, Scotland and Wales. The process will be underpinned by a robust governance framework which is fair and transparent. If local authorities are unable to agree an approach to dispersal in their region, then the Home Office and its commercial partners will move ahead with a regional plan.

Longer term, the consultation will shape the design of a reformed asylum dispersal system which covers all local authority areas in England, Scotland and Wales and is:

- Fair and sustainable
- Collaborative, providing increased engagement and involvement of local authorities
- Innovative and responsive to changing demands and needs.

As part of the ongoing work with local authorities we will ensure the asylum dispersal scheme is part of the broader context, including ensuring we work together on providing accommodation to refugees brought here under the UK Resettlement Scheme (UKRS), those on the Afghan Citizens Resettlement Scheme (ACRS), the Afghanistan Relocation and Assistance Policy (ARAP), Homes for Ukraine and unaccompanied asylum-seeking children (UASC) looked after by local authorities.

Funding

The New Burdens Doctrine states all new burdens on local authorities must be properly assessed and fully funded by the relevant department. To support the implementation of a full dispersal model, as part of the consultation process, the Home Office is committed to undertaking a new burdens assessment. This will be an opportunity to better understand the costs associated with asylum dispersal and engage with the local government sector. Where we identify genuine additional and ongoing costs, these will be addressed in line with the New Burdens Doctrine and subject to a post-implementation review.

To recognise the existing contribution and longstanding support from local authorities, each local authority in England, Scotland and Wales which was accommodating asylum seekers on 27 March 2022 will receive a £250 one off payment per asylum seeker.

In addition, I have made further funding available for 2022/2023 to provide £3,500 for each new dispersal bed space occupied, in both new and existing dispersal areas, between 28 March 2022 and 31 March 2023. This funding can be used to implement and/or bolster

services in both new and existing areas. This will alleviate some pressures on local authorities and will ensure every local authority plays its part in this important work.

Home Office officials will contact council officers shortly to provide further detailed information on the initiatives outlined.

This Government remains committed to working collaboratively with local authorities to ensure we have an asylum accommodation system which is suitable, sustainable, and fair for taxpayers.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Foster', with a large flourish extending from the top of the 'F'.

Kevin Foster MP
Minister for Safe and Legal Migration