

Sir Geoffrey Clifton-Brown MP
Chair, Public Accounts Committee
House of Commons
London
SW1A 0AA

20th March 2025

Dear Sir Geoffrey,

Many thanks to you and the members of the Public Accounts Committee for sharing your report following the investigation into the acquisition of the Northeye site in Bexhill, and the recommendations made in this report. This letter addresses the following recommendation:

The Home Office should, alongside its Treasury Minute response, write to the Committee detailing the lessons it has identified from its acquisition of all large asylum accommodation sites and explain how it has changed its structures and processes to prevent it from making the same mistakes again. As part of this, it should explain how it is applying these lessons to its approach to smaller asylum accommodation sites.

Lessons Identified

As I said at your December hearing, a project captured over 1,000 lessons from sites delivered by the Asylum Accommodation Programme (previously the Large Sites Accommodation Programme) and sites such as Napier and Penally, and sites that did not proceed to delivery. Contributors included the Independent Chief Inspector of Borders and Immigration, the National Audit Office, the Government Internal Audit Agency, and the Infrastructure and Projects Authority.

The project categorised these lessons into 25 themes, including litigation, planning, communication with local partners, policy decisions, and site operations. Specific lessons include making earlier decisions on routes to obtain planning permission, choosing appropriate locations for sites, commissioning site surveys early to inform detailed planning, and shifting to smaller or medium-sized sites that are easier to manage operationally and minimise the impact on the local authority. The

Programme has also updated its scope and bedspace targets to be more deliverable and realistic.

Based on these lessons, Asylum Accommodation Plans use an evidence-based approach to procure and occupy dispersal accommodation while considering alternative sites once identified. These plans refresh quarterly and receive agreement from Local Authorities and Strategic Migration Partnerships. They support engagement and joint working with local authorities at a much earlier stage due to lessons learned.

Changed Structures and Processes

Future sites now follow a detailed 'Stage Gate' process based on identified lessons, including those noted above. This recently refreshed process ensures proper due diligence and decision-making before investment decisions. Due diligence includes conducting desktop sifts and 'Red Book' valuations in earlier stages, completing Equality and Environmental Impact Assessments, and preparing Operational Management Plans in later stages and ahead of contract exchanges. These 'Stage Gates' now align with the Royal Institute of British Architects (RIBA) Framework, incorporating wider knowledge and lessons from the property sector.

All sites progressed in the Asylum Accommodation Programme must follow these 'Stage Gates', outlining necessary approvals and assurance at each stage, e.g., Outline Business Case, HO Investment Committee, Treasury approvals, to avoid repeating past mistakes experienced with sites such as Northeye.

The Programme team mentioned in the hearing improved commercial and property capability to ensure personnel with the appropriate skills, experience, and qualifications handle complex property transactions. This updated structure and approach provide more detailed and transparent evidence which is improving our decision-making on value for money and feasibility.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Matthew Rycroft', with a long horizontal flourish extending to the right.

Sir Matthew Rycroft KCMG CBE

Permanent Secretary