

Home Affairs Select Committee
House of Commons
London
SW1A 0AA

14th April 2025

Dear Home Affairs Select Committee members

RE: Home Affairs Select Committee inquiry into asylum accommodation

I am writing ahead of the Committee's Oral Evidence sessions with hotel providers to draw attention to key issues in relation to asylum accommodation. The Committee should note the Terms of Reference for the Value for Money (VfM) Study on procuring short-term residential accommodation being undertaken by the Treasury ahead of the Spending Review.¹

Hotel use has increasingly become normalised despite the significantly higher cost. Home Office statistics show that at the end 2024 there were 38,079 people being accommodated in hotels. We estimate that if those numbers were to remain the same throughout 2025, the hotel bill could reach nearly £1.5 billion. Traditional dispersal accommodation is much cheaper, typically around a third of the cost of hotel rooms. The Home Office had set a target of 100,000 dispersal bed spaces by the end of 2023 but is currently far behind, with only around 65,000 being available.

The Refugee Council has worked with many people accommodated in hotels for months or years while waiting for a decision on their asylum claim. We have evidenced the negative impact being in a hotel for so long has on people, exacerbated by the very low levels of financial support and frequent poor levels

¹ <https://www.gov.uk/government/publications/terms-of-reference-value-for-money-vfm-studies/terms-of-reference-for-vfm-study-on-procuring-short-term-residential-accommodation>

of safeguarding. I draw the Committee's attention to our 2022 report 'Lives on Hold' and its recommendations.²

The use of hotels has also damaged community cohesion. Local authorities have not been empowered to play a key role in the provision of asylum accommodation. The far-right riots last summer highlighted the negative impact of this on community cohesion. Local authorities should be empowered to have greater control over asylum accommodation in order to break down silos between various streams. **This could be achieved by restructuring contracts or allowing current asylum accommodation providers to procure housing through local authorities.**

The best way to end the use of hotels is to ensure the asylum system is making correct decisions the first time. The Government has taken steps to remove the blockages to asylum processing created by the Illegal Migration Act (2023). However, some of the pressure is being moved to the appeals system. Statistics from the first-tier tribunal court show that at the end of 2024 there were 41,987 asylum appeals waiting to be reviewed, up from 7,133 at the start of 2023. **The Government should review all appeals within the Home Office so that errors can be corrected without the need for the tribunal to process the appeal.** The Refugee Council's recent report ³ on the appeals backlog also recommends the Government **revert to the previous standard of proof for asylum claims that was in place prior to the enactment of the Nationality and Borders Act 2022.** It is also important that the Government **restart decision making on Syrian asylum claims** to avert another backlog. Whilst we recognise the importance of removing people with no legal right to be in the UK, **where there are clear barriers to being able to remove someone, the Government should also consider granting temporary leave so that people can support themselves.**

Funding and planning for asylum accommodation has largely been separate from other protection schemes, such as the Afghan Resettlement Programme, the UK Resettlement Scheme and the Ukraine Schemes. As well as providing local authorities with great responsibility for procuring and managing asylum accommodation, **funding and planning should also take place across all protection schemes.**

Finally, we welcome the Government's decision to end its contract with 'Stay Belvedere Hotels', as announced last month following concerns about the

² <https://www-media.refugeecouncil.org.uk/media/documents/Lives-on-hold-research-report.-July-2022.pdf>

³ <https://www.refugeecouncil.org.uk/stay-informed/articles/surge-to-clear-asylum-decisions-backlog-means-appeals-system-struggling-to-cope/>

standard of accommodation. **We urge the Government to build on this and set a date for ending the use of hotels.**

Thank you for your time and consideration. Please do not hesitate to reach out should you require any further information.

Kind regards,

Enver

Enver Solomon

Chief Executive

Refugee Council