

Evidence on the destitution of asylum seekers for the Home Affairs Select Committee inquiry

Executive summary

(i) Still Human Still Here is a coalition of 58 organisations that are seeking to end the destitution of asylum seekers in the UK.¹ The coalition believes that all asylum seekers who would otherwise be destitute should receive sufficient support so that they can meet their essential living needs until they are returned to their country of origin or are given permission to stay in the UK.

(ii) Asylum support rates for those on Section 95 have been severely reduced in recent years and are no longer calculated with reference to any system. For example, single adults over 25 get 52% of Income Support, a lone parent 50% and a couple 65%.

(iii) The majority of asylum seekers now have to pay for food, clothing, toiletries and other essential items on just over £5 a day (housing and utility bills are paid for separately). An asylum seeker will spend an average of nearly 18 months on Section 95 support.² Those on Section 4 receive lower levels of support via a plastic payment card. The vast majority of asylum seekers are not allowed to work to support themselves. This submission provides evidence which indicates that:

- The inadequate level of support is contributing to physical and mental health problems amongst asylum seekers. Those asylum seekers without any statutory support suffer the most pronounced impact on their health (Sections 1, 4 and 5)
- A basket of basic goods required to meet essential living needs and prevent absolute poverty costs approximately 70% of Income Support (Section 2).
- The UK provides significantly lower support to single adult asylum seekers than comparable EU states including Belgium, France, Finland, Germany, Luxembourg, the Netherlands, Norway and Sweden. In 2012, the German Constitutional Court ruled that the level of support provided was not sufficient to guarantee a “dignified minimum existence”, but even *before* this ruling Germany provided more support to single adults than the UK (Section 3).

¹ The coalition includes the Red Cross, Crisis, the Children’s Society, Mind, OXFAM, Citizens Advice Bureau, Doctors of the World, National Aids Trust, Amnesty International and all the main agencies working with refugees and asylum seekers in the UK. For all members see: www.stillhuman.org.uk

² House of Lords Hansard, 5 March 2013, Col. 1457

- The perception that asylum numbers can be controlled through welfare policies is unfounded. A review of the 19 main recipient countries for asylum applications in the OECD concluded that policies on support levels, permission to work and access to healthcare did not impact on the number of applications made in destination countries (Section 6).
- A more streamlined and efficient asylum support system would deliver direct savings within an estimated range of £2-4 million, with indirect savings likely to far exceed this figure (details provided in Section 7).

(iv) Still Human urges the Government to implement the following recommendations as a matter of urgency.

- Asylum support rates should be equivalent to *at least* 70% of Income Support, with the system recognising the additional needs of children.
- Annual increments to asylum support rates should be linked to those for Income Support rates or its equivalent.
- Section 4 support should be abolished and all those who meet the current Section 4 criteria should be maintained on Section 95 support.
- Asylum seekers who have not had their cases resolved in six months or who have been refused, but cannot be removed through no fault of their own should be granted permission to work.

1. Does Section 95 provide sufficient support to asylum seekers?

1.1 During most of the 1990s, asylum support rates were set at 90% of Income Support, with housing provided separately. The rationale for this was that Income Support is set at the minimum amount people need to meet their basic living needs, but asylum seekers would need less because they would only be in this system for a short period of time and would not need to pay for replacement goods. This ignores the fact that many asylum seekers arrive with few possessions. Furthermore, an asylum seeker will spend an average of 525 days on Section 95 support, which can hardly be described as short term.³

1.2 If a 10% deduction to asylum support is made on the basis that people will only be on it for a short time, then payments should be increased if an application has not been resolved promptly. At the end of 2012, more than 4,400 asylum seekers had been waiting more than six months for an initial decision.

1.3 In 1999, the Government reduced Section 95 support from 90% to 70% of Income Support on the basis that all utility bills would be paid for separately. It is reasonable to

³ House of Lords Hansard, 5 March 2013, Col. 1457

reduce asylum support on these grounds, although the level of this deduction should be calculated in a transparent and fair way.

1.4 While no new rationale for calculating the level of asylum support payments has been announced, the actual support rates have been further reduced in recent years. For example, in 2009, the Home Office reduced support for single adults aged 25 or above to just 55% of Income Support.⁴ Furthermore, asylum support payments have not been increased in line with inflation. For example, the Government did not provide any increment to asylum support for 2012-13, despite raising Income Support payments by 5.2%.

1.5 Consequently, asylum support levels for those on Section 95 have been severely reduced in real terms and are no longer calculated with reference to any system. For example, adults over 25 get 52% of Income Support, a lone parent 50% and a couple 65%.⁵

1.6 The Government defines an asylum seeker as destitute if they do not have adequate accommodation or any means of obtaining it or if they cannot meet their “other essential living needs”. As a result of the reduction in support rates, many asylum seekers can no longer meet their essential living needs. In 2009, a random survey of Refugee Actions’ clients who were on Section 95 support found that: 50% had experienced hunger as a result of the low levels of support; 70% were unable to buy the toiletries; and 94% were unable to buy clothing.⁶ This survey was carried out prior to the significant cuts to asylum support levels outlined above.

2. Calculating essential living needs – the cost of a basket of basic goods

2.1 In 2009, Still Human Still Here undertook research to determine whether asylum seekers could meet their essential living needs on less than 70% of Income Support. This was done by stripping down the basket of basic goods compiled by the Joseph Rowntree Foundation in 2008 so that only items needed to avoid absolute poverty were included.⁷

2.2 Accordingly, Still Human estimated that an asylum seeker would have needed a minimum of £31.66 a week for food⁸ and a further £9.70 a week to meet the costs of clothes, household cleaning items, toiletries, telephone calls, stamps, and travel. Taking

⁴ Benefits for single adults in the general population aged 18 to 24 are lower than for people over 25 because the Government expects their families to help them. However, single asylum seekers do not generally have family in the UK, so it would have made sense to raise the rates for 18-24 year old asylum seekers rather than lower the rate for the over 25 group.

⁵ Report of the Parliamentary Inquiry into asylum support for children and young people, Children’s Society, January 2013, Appendix D, page 30

⁶ Refugee Action Briefing, 2009. The survey was based on a random sample of 16 individuals who were receiving S95 support and visited the one stop service between 14-25 September 2009.

⁷ The Joseph Rowntree Foundation research on minimum income standards looked at *needs*, not *wants*. For more information see: www.minimumincomestandard.org For the full budget spreadsheets see: http://www.minimumincomestandard.org/budget_summaries.htm

⁸ Food includes 56 items which would provide a balanced diet. Alcohol and other non-essential items of expenditure have been removed.

inflation into account, the minimum required for a single adult asylum seeker to meet their essential living needs in 2009 was £43.60 a week (the cost of accommodation, utility bills and council tax are not included). This was very close to 70% of income support for a single adult who is over 25 (£45.01 at that time).

2.3 However, it should be stressed that the Still Human budget calculation made no provision for any form of social interaction and did not take into account that asylum seekers may need to buy essential items when they arrive which the existing population would already possess.⁹ On this basis we would argue that 70% of Income Support is the absolute minimum required to meet essential living needs.

3. Calculating essential living needs – EU comparisons

3.1 In 2012, a review of support rates for single adult asylum seekers in comparable EU countries found that support levels in the UK are well below the average. The following figures refer to the financial allowances given to asylum seekers in addition to the provision of free accommodation.¹⁰

Norway:	£88.65
Germany:	£67.56
Finland:	£52.33
Sweden:	£47.60
Netherlands:	£46.45 ¹¹
France:	£41.42
UK:	£36.62
Portugal:	£32.81 ¹²

3.2 Both Luxemburg and Belgium also have more generous systems than the UK as they give cash allowances to asylum seekers after they have provided accommodation, food and other essential items directly.

Belgium:	£31.45 if they do social work (£5.82 if they do not)
Luxemburg:	£22.68

3.3 At the start of 2012, an asylum seeker in Germany received free accommodation and basic benefits equivalent to £42.14 a week (after paying for electricity in the shelter). This was significantly more than the £36.62 available to adult asylum seekers in the UK.

⁹ For example, items such as butter and oil are not included on the Joseph Rowntree Foundation list of essential food items because people did not identify them as something they need to buy each week.

¹⁰ EU Ad Hoc query on allowances for international protection seekers, requested by LU EMN NCP on 27 January 2012 (compilation produced on 29 February 2012).

¹¹ The Netherlands also provides an additional one off financial payment for clothing (€36.30) and allows, but does not compel, asylum seekers to do work in the reception centre to supplement their support income.

¹² Portugal also provides free travel and phone cards to all asylum seekers.

However, on 18 July 2012, the German Constitutional Court ruled that this was not enough to guarantee a dignified minimum existence and increased payments to £67.56 a week.

3.4 In addition, asylum seekers are able to access the labour market much sooner in most other EU countries than in the UK. Austria, Greece, Portugal, Finland and Sweden allow asylum seekers to work after four months or less, while Italy, Spain, Netherlands, and Cyprus permit them to do so after six months.¹³ Denmark has announced that it will also allow asylum seekers to work after six months.

3.5 In addition, the recast EU Reception Conditions Directive has reduced the period when asylum seekers can be excluded from the labour market pending an initial decision on their claim to nine months. In the UK, asylum seekers can only apply for permission to work if they have been waiting for more than one year for an initial decision on their case, and even then are only allowed to work in “shortage occupations”. This effectively prohibits asylum seekers from supporting themselves, even after a prolonged period of time in the system.

4. Does Section 4 provide sufficient support to asylum seekers?

4.1 A small number of refused asylum seekers who the Government accepts would otherwise be destitute and temporarily cannot return home, can receive Section 4 support.

4.2 While there is no difference between the living needs of those on Section 95 and those on Section 4, the latter are significantly worse off. A single adult receives £1.23 a week less than they would on Section 95, while a child under three is £17.57 worse off.

4.3 In April 2012, 779 children were being supported under Section 4.¹⁴ A lone parent would receive the equivalent of 40% of Income Support and a pregnant woman would get 54%.¹⁵ This is of particular concern given that asylum seeking women are much more likely to suffer complications in child birth than the general population.¹⁶

4.4 In addition, Section 4 support is delivered through the Azure plastic payment card rather than in cash. The card can only be used in certain retailers, which prevents asylum seekers from getting the best value for money as they cannot use it in markets or discount stores. It also means that they have no cash to make phone calls or take public transport. Single adults supported under Section 4 are also subject to a weekly £5 carry-over limit which means they cannot save to purchase bulk items or clothing.

¹³ Still Human Still Here, *At the end of the line*, 2010, page 72.

¹⁴ House of Lords Hansard, Minister of State, Lord Henley’s written answer, 22 June 2012.

¹⁵ *Report of the Parliamentary Inquiry into asylum support for children and young people*, Children’s Society, January 2013, Appendix D.

¹⁶ The Royal College of Obstetricians and Gynaecologists noted that pregnant asylum seeking women are seven times more likely to develop complications during childbirth and three times more likely to die than the general population. See Faculty for Public Health, *The health needs of asylum seekers*, 2008.

4.5 Evidence from service providers also indicates that substantial numbers of those on Section 4 are presenting with health problems. In 2011, Refugee Action identified 206 individuals at casework sessions who had physical or mental health problem. This is very high given that only 2,310 people were on S4 at the end of 2011.

4.6 The additional hardship suffered by those on Section 4 is particularly unreasonable given that the Government has recognised that the individuals concerned are temporarily unable to return to their countries of origin.

5. Asylum seekers without any support

5.1 With the exception of those who qualify for Section 4 support and families with children (who should continue to be supported under Section 95), asylum seekers who have had their claim refused and had an appeal rejected are usually left without any statutory support.

5.2 In addition, some asylum seekers who are eligible for support are left destitute because UKBA does not believe the applicant is destitute or because there are delays in processing the support application and/or providing support (including to refugees who move on to mainstream benefits). UKBA's decision to refuse support is overturned on appeal in more than 40% of cases.

5.3 The British Red Cross currently assists approximately 10,000 asylum seekers each year who do not have any access to statutory support. A survey of this group by the Red Cross in 2010 found that 28% slept rough at some stage and nearly 90% survived on one meal a day.

5.4 Numerous research reports in 2012¹⁷, along with a Serious Case Review published by Westminster Safeguarding Children Board, have highlighted the serious impact of destitution on asylum seekers' mental and physical wellbeing.

5.5 The Asylum Support Appeals Project's analysis of 55 cases of refused asylum seekers in 2011 found that 45% had mental or physical health problems.¹⁸ ASAP's follow-up research in 2012, with a sample of 20 destitute refused asylum seekers, also found that 45% had mental or physical health problems.¹⁹

5.6 This is not surprising given that the British Medical Association has noted that asylum seekers often have specific health problems which are related to the effects of war and torture²⁰ and the Royal College of Psychiatrists has stressed that "The psychological

¹⁷ Women for Refugee Women, *Refused: the experiences of women denied asylum in the UK*, May 2012; Destitution Concern Bradford, *No Return No Asylum – The extent and impact of destitution amongst asylum seekers in Bradford*, August 2012; and Morag Gillespie, *Trapped: Destitution and Asylum in Scotland*, September 2012.

¹⁸ ASAP, *No credibility: UKBA decision making and Section 4 Support*, April 2011, pages 3 and 8.

¹⁹ ASAP, *One Year On, Still No Credibility*, December 2012. Research conducted July 2011 - Jan 2012.

²⁰ Sharpe A, *Asylum seekers: meeting their health care needs*, BMA, 2002 www.bma.org.uk

health of refugees and asylum seekers currently worsens on contact with the UK asylum system.”²¹

5.7 The information above shows the serious human costs of leaving asylum seekers without any form of support. However, this policy also has financial costs which are examined in Section 7.

6. Would the provision of higher levels of support lead to increased asylum applications?

6.1 Research commissioned by the Home Office has found that asylum seekers have limited control over where they apply for asylum and little knowledge of entitlements to benefits in the UK.²² This was confirmed by a review of the 19 main recipient countries for asylum applications in the OECD in 2011²³ which concluded that policies which relate to the welfare of asylum seekers (e.g. support levels, permission to work and access to healthcare) did not impact on the number of applications made in destination countries.

6.2 The UK’s own experience confirms these findings. In 1996 and 1999, the UK introduced a raft of restrictive policies in relation to support provisions, but asylum applications rose despite these measures.

6.3 Progressive welfare measures do not act as “pull factors”²⁴ and this is illustrated by the fact that counties like the Netherlands receive much fewer asylum applications than the UK, despite having a more generous asylum support system and allowing applicants to work six months earlier than the UK.

7. Potential cost savings from a simplified asylum support system

7.1 A simplified asylum support system which unifies the levels and types of payment, minimises transfers between different systems and ensures that asylum seekers can properly meet their essential living needs, has the potential to deliver substantial financial and administrative savings to the Government. Areas in which savings could be made are outlined below.

Retaining asylum seekers who meet the Section 4 criteria on Section 95

²¹ The Royal College of Psychiatrists (RCP), *Improving services for refugees and asylum seekers: position statement*, Summer 2007.

²² V. Robinson, *Understanding the decision-making of asylum seekers*, University of Wales, July 2002

²³ Hatton, T. *Seeking Asylum: Trends and policies in the OECD*, Centre for Economic Policy Research, 2011.

²⁴ Still Human Still Here can provide evidence showing how specific UK policies relating to the support of asylum seekers have not reduced asylum applications or encouraged refused asylum seekers to return home.

7.2 The additional cost of maintaining all those on Section 4 on Section 95 support rates would be approximately £875,000 a year.²⁵ Still Human estimates that the cost savings from removing this parallel support structure would significantly outweigh the costs. These savings include:

- Accommodation cost savings: Some 13% of asylum seekers on S95 stay with family and friends and claim subsistence only support. There is no subsistence only option under S4 and therefore the current system compels them to give up accommodation in order to claim S4 and UKBA then has to pay for housing. If they were able to stay on S95, they would remain with their relatives or friends. The estimated savings from this would be around £2 million a year.²⁶ It is likely that the net savings would be less than this as some individuals who would otherwise not have claimed because there was no subsistence only support would now do so.
- Administrative savings: If those who meet the criteria for S4 are maintained on S95, UKBA staff would only have to review whether a refused asylum seeker qualifies for S4 and whether that person's financial circumstances have changed. This would simplify the process and save a substantial amount of staff time as UKBA would not have to source new accommodation or pay the travel costs of moving people. This could free up staff time and enable them to take faster decisions with consequent cost savings. Additionally, UKBA would not have to run a separate payment card scheme for less than 3,000 people with an annual running cost of some £350,000.²⁷
- In 2008-09, UKBA made overpayments of £9.6 million on accommodation and support to asylum seekers who no longer had entitlement (this would include both Section 4 and Section 95). A simpler system which does not force people to reapply for support or move people from one form of support to another would help reduce the likelihood of this happening in the future.²⁸

Improving the quality of asylum support decisions

7.3 Some asylum seekers are left without any statutory support even though they qualify for it. According to the Asylum Support Tribunal statistics for April-August 2012, 50%

²⁵ This uses the breakdown of those supported on Section 4 as of April 2012: 63% single adults, 24% children and 13% single parents (House of Lords Hansard, 21 June 2012) and applies it to the 2,757 on S4 at the end of 2012. These groups would receive £1.23, £17.57 (based on the child being under 3) and £8.55 a week extra respectively. This would amount to £16,829 a week or an annual cost of £875,103.

²⁶ At the end of 2012, 2,757 applicants were supported on S4. 13% of those on S95 receive subsistence only support. If the same percentage of those on S4 do not require accommodation, then savings would equal £105 a week (average accommodation costs per person on Section 4, based on £97 cost in 2009 plus inflation (Hansard, 23 Feb 2009) x 358 cases: £37,633 a week or £1,956,919 a year.

²⁷ Hansard, 19 May 2009.

²⁸ Phil Woolas, Minister of State, House of Commons Hansard, 7 January 2010.

of oral and paper appeals were either allowed or remitted. When applicants are represented by ASAP this percentage increased to 66%.²⁹

7.4 A survey of destitute asylum seekers represented by ASAP between July 2011 and January 2012 found that, where the decision related to destitution, 80% of these cases were overturned on appeal. This indicates that there are serious problems in the asylum support decision making process.³⁰

7.5 If only half the successful appeals taken to the Asylum Support Tribunal could be avoided through improved initial decision making this would lead to savings of some £326,000 a year.³¹ In addition to the savings to the Ministry of Justice, this would significantly reduce the amount of UKBA staff time spent attending appeals against refusals of support. This time could then be reallocated and would lead to further cost savings.

Indirect savings from avoiding destitution - healthcare

7.6 The evidence cited above shows that many asylum seekers on Section 95 and Section 4 support are having difficulty meeting their essential living needs. This is likely to have an impact on their mental and physical health, either causing illness or complicating existing health problems. This will be more pronounced than in the general population as asylum seekers are a more vulnerable group. For example, pregnant asylum seeking women account for 12% of maternal deaths in the UK while only representing 0.3% of the population.³²

7.7 If only one quarter of those asylum seekers on Section 95 and Section 4 support have to make an additional visit to a GP during the course of a year because low levels of support caused or exacerbated health problems this would cost the NHS a minimum of £573,475.³³ If problems paying for transport or registering at a surgery stop individuals from visiting a GP and their condition deteriorates, this would significantly increase the costs for the NHS.

²⁹ Outcome of appeals represented by ASAP 31 March 2011 – 1 April 2012.

³⁰ ASAP, *No credibility: UKBA decision making and Section 4 Support*, April 2011, pages 3 and 8.

³¹ Based on the Tribunal's annual report 2004/05, the cost of processing one appeal was £738. Allowing for inflation the current unit cost would be around £905. Approximately 60 appeals are allowed or remitted a month of which we estimate 30 could be avoided through improved decision making. This would save £27,150 a month or £325,800 a year.

³² G. Lewis (ed) *The Confidential Enquiry into Maternal and Child's Health (CEMACH)*, London, 2007. The Royal College of Obstetricians and Gynaecologists also published similar findings noting that are pregnant asylum seeking women are seven times more likely to develop complications during childbirth and three times more likely to die than the general population. Quoted in Faculty for Public Health, *The health needs of asylum seekers*, 2008.

³³ There were a total of 22,939 asylum seekers on S95 and S4 support at the end of 2012. A 30 minute consultation with a GP would have cost £90 in 2008. Allowing for inflations this would be approximately £100 today (not including translation costs). Lesley Curtis, *Unit cost of health and social care 2008*, University of Kent, 2008, page 109.

7.8 Other research provides clear evidence of the health impacts and costs of homelessness. A 2012 report looking at homeless single adults who move between the streets and hostels found that “being homeless *for even a short period of time* increases the risk of long term health problems” with individuals demonstrating high levels of both physical and mental ill health.³⁴

7.9 These people seek help at a much later stage in an illness than the general population, usually through A & E departments. They consequently attend A & E six times as often and stay in hospital three times longer than the general population. Once discharged they rarely go back to an environment which facilitates effective recuperation and often end up back in A & E.

7.10 This situation, which mirrors that of destitute asylum seekers who receive no statutory support, contributes to secondary healthcare costs which are around £1,575 per person per year higher than for the general population. It has been estimated that a homeless population of around 45,000 people moving between the streets and hostels or other temporary accommodation, would cost around £71 million annually in increased secondary healthcare.³⁵

7.11 Even if these additional costs were only applied to those asylum seekers who are destitute and then have their appeal to the Asylum Support Tribunal allowed or remitted, this would still equate to additional costs of some £1.13 million a year in secondary healthcare which could have been avoided through better decision making.³⁶

Other indirect savings from avoiding destitution

7.12 It is important to stress that nearly 50% of all asylum seekers are eventually given some form of protection in the UK.³⁷ The impact of having to subsist on inadequate support for prolonged periods of time is likely to have a negative impact on their ability to integrate quickly and play a productive role in the economy and wider society, with significant cost implications.

7.13 Furthermore, some asylum seekers who have no access to support or who are struggling to sustain themselves on the support they receive are likely to seek other survival strategies such as illegal work, prostitution and begging. All of the above will put these individuals at risk and will also have considerable social and financial consequences for the wider community.

Total potential savings from reforming the support system

³⁴ Deloitte Centre for Health Solutions, Healthcare for the Homeless, 2012, page 2.

³⁵ Deloitte Centre for Health Solutions, Healthcare for the Homeless, 2012, pages 5-6.

³⁶ Approximately 720 appeals are either allowed or remitted each year at the Asylum Support Tribunal. 720 x £1575 (increased secondary healthcare costs for those who have been destitute) equals £1.3 million.

³⁷ In 2012, 36% of asylum seekers were granted some form of protection at the initial decision and a further 27% of those who appealed a negative decision had their appeal allowed and were also granted status.

7.14 We estimate a more streamlined and efficient support system would deliver direct savings within a range of £2-4 million, with indirect savings likely to far exceed this figure (e.g. through faster integration of those given protection and through reduced health problems and illegal working).

7.15 It should be stressed that there are other areas of the asylum system where additional savings could also be made to further offset costs in the support budget, particularly in relation to improved decision making on asylum applications,³⁸ granting permission to work after six months if an application has not been concluded; and through reduced and more efficient use of detention. For example, a study calculated that UKBA is wasting £377 million over a five year period on the detention of migrants who are ultimately released.³⁹ A further £12 million was spent in special payments in 2009-10 which included compensation for unlawful detention and other legal or compensation costs.⁴⁰

7.16 Still Human considers that the recommendations made in this paper will contribute to the creation of a support system which is both fundamentally fairer and more efficient.

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³⁸ See evidence from Amnesty International and Still Human Still Here to this Inquiry.

³⁹ Matrix Evidence Study. Quoted in House of Lords Hansard, 19 July 2012.

⁴⁰ House of Lords Hansard, 29 November 2010.