Dear David,

Thank you for your letter of 29th October 2018 setting out the concerns you have around the operation of asylum dispersal as we move toward the implementation of the new asylum accommodation and support arrangements in September 2019.

The issues you raise largely focus on how joint-working between central and local Government and the new service providers will work in practice and how we address some of the pressures on particular parts of the country and services. We discussed these at the recent meeting of your Task Group and agreed we would construct a collaborative programme of activity, moving towards the transitioning to the new contractual arrangements, with joint oversight by central and local Government.

Before I set out the detail of an offer in response to your asks I want to start by putting on record the Home Office’s sincere thanks for the efforts made by Local Authorities up and down the UK in delivering our shared objectives of ensuring that those passing through the asylum system receive the appropriate care and attention and in particular that while people are in that system we ensure they are not at risk of destitution.

Taking the issues raised in your letter in turn, I note your ask that Local Authorities have equal partner status in the new asylum contracts with full access to all contractual agreements with the successful bidders for their regions. We will of course share these contracts at the earliest opportunity. In the interim we attach the statements of requirements, which is the key document covering the issues in your letter.

Through the engagement in the design of the new contracts we consulted on whether Local Government would want to bid for the contracts and the significant majority view coming back was that they would not; we did not preclude public sector organisations putting in bids. We also consulted extensively on how the contracts should be developed to address the concerns that Local Authorities had with the current contracts. As we discussed at the Task Group, we are aware of a perception that the Home Office has not engaged as closely as local government would have liked during the procurement phase of the project over the last year.
We remain of the view that we are taking a proportionate approach based on the best professional legal and commercial advice. However, we also believe that the contracts that we are working on provide many of the elements that Local Government discussed with us while we were developing the strategy and will be flexible enough to allow us to deliver a service that works for all parties. We have already shared the Statements of Requirement for the new contracts with the Strategic Migration Partnerships and published them in Parliament. We will publish other schedules once the contracts are signed.

We believe the new contracts will provide an opportunity for a more balanced relationship between Local Government, the Home Office and service providers. This is because they will put the arrangements on a more sustainable financial and commercial footing, which along with the provisions contained within the Statement of Requirements will allow for closer and more productive relationships between Local Authorities, the Home Office and the service providers. We accepted at the meeting the need for Local Authorities and the Home Office to work together to ensure the contracts deliver a good service and we are currently setting up Joint Partnership Boards to provide local authorities a key role in overseeing the transition of the services to the new providers.

We would like to work with you through the details of how these arrangements will work. To that end we and colleagues in the Local Government Association have suggested a new national level committee chaired and attended at Chief Executive level from the Local Authority side and Director level from central Government to oversee this. This would complement the work of the Task Group which I will continue to prioritise in my own diary. I propose that we settle as much as possible in the coming weeks but given the need to involve the new service providers there will be some elements that we will need to finalise after they are appointed, which will be announced by early in the new year.

On your specific asks we would like to suggest these form the basis of the programme of work overseen by the new Chief Executive-level Board we intend to co-chair with you at senior official level. In specifics:

- We share your aspiration that Local Authorities should have full access to any data and information necessary to support their roles in relation to dispersal. Subject to the appropriate agreements on Data Protection, commercial and legal grounds.

- We agree to your request that we should work with you, through the new governance, to achieve a more equitable distribution of asylum seekers and propose that from the start of the new contract we have an aspiration to achieve a progressive reduction in the proportion of dispersal in the higher volume areas with a commensurate increase in the ratios in areas that currently have lower or non-existent volumes.

- This represents a willingness on our part, on the basis of the strongly made case by local and devolved Governments, to revisit the previous decision to roll forward the existing ratios. In committing to rebalance the allocations, the scale of our ability to do that is dependent on expanding the number of Local Authority areas willing to accept dispersal. We are grateful for the efforts to expand dispersal to date and recommit ourselves to that effort. We would seek a similar reaffirmation from you and colleagues across Local Government to encourage and assist that expansion. We would want to conduct the consultation on how we do this and realistic levels of ambition through the new joint Board we are creating to oversee this work.
• On the issues around the **control of people to places** and the issues around clustering, we are happy to commit to work with you nationally and regionally on how we allocate different asylum seekers to different areas, perhaps following the approach we adopted in the Syrian Resettlement Programme and some of the newer dispersal areas to develop typologies of case that allow us to factor in pressures on particular services in deciding which types of people should be allocated to which area.

• On **clustering** we are keen to abide by the principle you suggest of involving those with a knowledge of local areas in agreeing the best approach. For that reason, we are reluctant to adopt a one size fits all approach to this. For example, we know some areas and regions prefer clustering to ensure proximity to key services while others a more dispersed approach. However, we want to work with you to establish a way forward that works in the best interests of all parties.

• As we said at the Task Group all of these commitments are caveated by the reality that we need to fulfil our statutory duties and the volatility of asylum demand might require us to work together to deliver short-term contingency arrangements that are outwith the general agreements we will seek to make. We would want to work with you on systems (built on the greater sharing of data and joint working) so that all parties will have full transparency about this and able to work collaboratively on those contingencies.

• We note your references to the **costs** that Local Government incurs because of asylum dispersal. While we have heard this consistently through our engagement with Local Government we would like to do further work with you to understand nature and scale of those costs over and above the additional funds available locally because of being a dispersal area.

• We would like further discussion, not just between Home Office and Local Government but with other Government Departments and, where relevant, their devolved counterparts, to get a sense of the scale of the costs that are specifically associated with asylum dispersal and how we might collectively mitigate impact and identify funding needs.

I hope you take this letter as a strong indication of our good faith in committing to working together and that you are able to reciprocate our offer to work in a spirit of joint endeavour to support people going through the asylum and refugee system.

Rt Hon Caroline Nokes MP
Minister of State for Immigration