A BILL AT WHAT PRICE?

Calculating the financial impact
of the Nationality and Borders Bill

FEBRUARY 2022

**The Nationality and Borders Bill
is currently in its final stages in
Parliament. If fully implemented the
Bill would radically reduce the UK's
long-held position as a place of
sanctuary for refugees.**

At the heart of the Bill is the government's
intention to block or criminalise all people
seeking refugee protection arriving in
the UK outside pre-arranged schemes,
including those coming via irregular
routes, such as by boats or lorries.
These are often branded 'illegal' by the
government despite the United Nations
High Commissioner for Refugees (UNHCR)
having said this is at odds with people's
rights under the UN Refugee Convention,
and a recent High Court ruling that the
government was wrong to claim such
journeys to seek asylum are illegal.

Alongside the human cost of the proposed
changes set out in the Bill, there will
be major additional financial costs of
implementing the sweeping new systems
it proposes.

Despite the obligation of the government
to publish an Impact Assessment of
legislation before Parliament, including its
economic implications, it has so far failed
to produce this for the Nationality and
Borders Bill.

Following repeated promises by ministers
during the passage of the Bill to publish
the Impact Assessment the Home
Secretary again refused to say when it
would be issued when pressed by the
Home Affairs Select Committee on 2
February, when one member asked
whether 'it has not been published for a
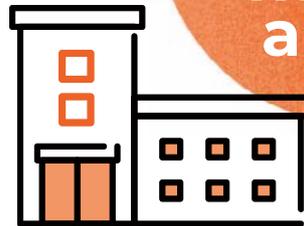political reason'.[1]

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£2.7 billion a year

Cost of implementing the Nationality and Borders Bill.

£117.4 million a year

Removing people

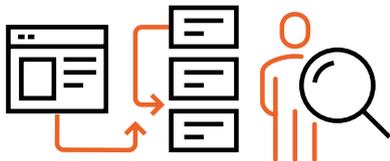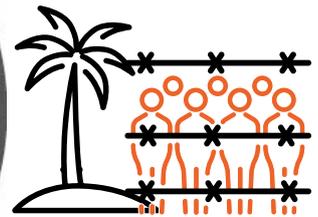**£717.6 million a year**

Accommodation centres

Temporary protection status processing

£1.5 million a year

£1.44 billion a year
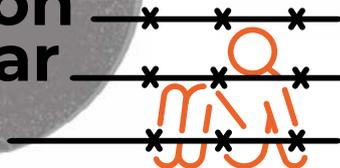
Offshore processing

£432 million a year

Imprisonment

TOGETHER WITH REFUGEES

THE FINANCIAL COST

£1.44 billion a year

Setting up and running a completely new system to send people seeking refugee protection to another country for detention and processing.[5]

People seeking safety in the UK would instead be sent to offshore processing centres in another, as yet unknown, country and be detained while they are assessed and wait for a decision on their claim. The government has indicated that this will be modelled on the expensive and controversial system implemented by Australia. Extensive evidence has shown that accommodating people in such offshore institutions is hugely damaging for their health and well-being - in part why Australia has reduced those being sent offshore for processing.

£2.7 billion a year

The additional annual cost to the taxpayer of £2.7 billion covers the extra spending needed to implement five major new components of the UK asylum system proposed in the Nationality and Borders Bill. This is enough to pay the salaries of more than 80,000 NHS nurses a year.[2] The main components of this are set out below.

£432 million a year

Imprisoning people seeking refugee protection who arrive via irregular routes.[6]

Anyone arriving in the UK to seek safety via irregular routes, such as in a small boat across the Channel, could be criminalised and subject to court proceedings - and possible prosecution and imprisonment under the Bill. (And this figure does not include people who could also be convicted under measures in the Bill for assisting or rescuing those seeking refugee protection, such as at sea, but who are not people-smugglers.)

£117.4 million a year

Removing people seeking refugee protection from the UK to another country.[3]

Those who arrive in the UK having passed through another country where - in the opinion of the UK Government - they could have claimed protection, could be returned to that country to seek asylum. This policy assumes that the government will be successful in negotiating these agreements with such countries - although currently no such agreements are in place.
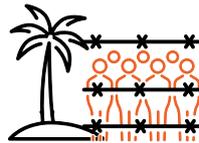
£1.5 million a year

Extra bureaucratic processing for people allocated Temporary Protection Status.[7]

People who have already passed a rigorous assessment recognising them as a refugee, but with limited Temporary Protection Status, will require an additional assessment to confirm it is still not safe for them to return to their home country every two and half years. Currently, somebody who is recognised as a refugee following the initial assessment would be given leave to remain for five years, before being assessed again for permanent residency in the UK. Under the new system they would be subject to four bureaucratic assessments, even though they have already been recognised as a valid refugee.

£717.6 million a year

Setting up and running new accommodation centres to house people seeking refugee protection.[4]

Increasing numbers of people seeking asylum would be housed in large, out-of-town accommodation centres instead of in the community, with the government indicating it intends to accommodate up to 8,000 people in centres around the country. This would mark a retreat from a previous policy to accommodate people in the community. There is extensive evidence of the deep harms caused by housing people seeking asylum in such institutions.

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THE HUMAN COST

All these additional financial costs to the taxpayer will be used to pay for measures in the Bill that will also have a terrible human cost for those who have already overcome great hardship. We know that women, children and men will continue to search for safety fleeing persecution and death in any way they can. They make dangerous journeys because of a lack of safe and 'official' routes, and sometimes people tragically die on these journeys.

Yet having fled their homes in fear for their lives and struggled to find safety on our shores, this Bill means that when people do get here their treatment will be based on how they arrived and not by the dangers they have fled.

And because they came via unofficial routes, some will face arrest, prosecution and imprisonment. Others will be taken overseas to face indefinite detention in offshore processing camps. Many will face years of insecurity and indecision, unable to settle and build a life while they wait for multiple assessments over 10 years to find out if they can stay in the UK. It will mean families separated and people forced to be sent to countries where they will be isolated with no connections. It will lead to greater poverty and homelessness for people seeking asylum.

And all this will happen to: unaccompanied children; pregnant women; survivors of torture, sexual or gender-based violence; victims of trafficking and modern slavery; LGBTQ+ people; those with a serious physical disability or mental health condition; and people over 70 years old.

TOGETHER WITH REFUGEES

Together With Refugees is a growing coalition of more than 400 national and local organisations who believe in showing compassion to refugees fleeing war and persecution. It was founded by Asylum Matters, British Red Cross, Freedom from Torture, Refugee Action, Refugee Council and Scottish Refugee Council.

The coalition is calling for a more effective, fair and humane approach to the UK's refugee system that: allows people to have a fair and efficient hearing for their claim for protection, including those who endured traumas and struggle to get here; ensures people can live in dignity in communities while they wait to find out if they will be granted protection; enables refugees to rebuild their lives and make valuable contributions to their communities; and where the UK works with other countries to do its part to help people forced to flee their homes.

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METHODOLOGY AND SOURCES

- Projections are based on the proposals the government has set out in the New Plan for Immigration, Nationality and Borders Bill, related ministerial statements and documentation. While the government has not set out a detailed implementation plan for the new system, it has stated it intends to utilise the full spectrum of policies set out in the Bill. These costings reflect that.

- The people set to be most subject to the provisions in the Bill are those arriving in the UK by informal means, for which we have used a (conservative) baseline figure of 28,430 people a year, based on people arriving via Channel crossings in 2021. The specific costings are based on a projected number from this cohort likely to be subject to each policy area, based on government statements wherever possible. This also avoids potential for double-counting.

- Projected direct unit costs of each area of policy are based on real world costs of implementing similar policies, drawing wherever possible on official figures. These are also likely to be conservative. For example, the projected costs of the additional processing for people subject to Temporary

Protection Status is based on the Home Office cost of processing an application for leave to remain, though the new assessment process is likely to be more time and cost-intensive.

- The cost of each policy has been projected over five years starting from 2022, as the basis for then distilling an average annual future figure which smooths out peaks and troughs in costs.

- The figures make allowance for inflation based on official sources, primarily the ONS and OBR.

- The figures cover the core costs of the policies but not a range of related likely further costs - for example government legal costs for defending policies certain to be subject to legal challenge, or training staff in the new systems.

ACKNOWLEDGEMENTS

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NOTES AND SOURCES

1 https://committees.parliament.uk/oralevidence/3370/pdf

2 https://www.kingsfund.org.uk/audio-video/key-facts-figures-nhs#what-does-the-money-buy and https://digital.nhs.uk/data-and-information/publications/statistical/nhs-staff-earnings-estimates

3 Assumes the cost of removing an individual via Home Office chartered flight was £12,352 per person in 2021. This calculation is taken from data contained in a Home Office FOI response (22 October 2021) which outlined the total number and associated costs of deporting people from the UK for Q3 of the year 2021 (i.e. 1 July - 30 September, 2021) Source: https://www.whatdotheyknow.com/request/796062/response/1902116/attach/3/66242%20Petit.pdf?cookie_passthrough=1

4 Total costing based on the following assumptions:

(a) Assumes the capital cost of constructing accommodation centres with capacity for up to 8,000 people as revealed in a Home Office Prior Information Notice published in August 2021 Source: https://www.contractsfinder.service.gov.uk/notice/200ecd04-fc0d-4622-8aeb-ab8f9c126780?origin=SearchResults&p=1

(b) Assumes capital costs for construction and operating a centre based on a report by the National Audit Office detailing the amount spent on creating and running a similar accommodation centre in Bicester and adjusted for 2022 prices. Source: https://webarchive.nationalarchives.gov.uk/ukgwa/20170207052351/https://www.nao.org.uk/wp-content/uploads/2007/11/070819.pdf

(c) Assumes asylum support costs (using 2022 rates of full board accommodation) based on a commitment made in 2020 from then Home Office Minister, Chris Philp that people in full-board accommodation would receive a weekly payment of £8. Source: https://media.refugeecouncil.org.uk/wp-content/uploads/2020/11/04120727/27.10.20-Chief-Executives.pdf

5 Costs based on the Australian offshore processing system on which the UK government is modelling its approach. This includes both the direct cost of setting up and running the system in another country and fees paid to a host government for agreeing to house it (as paid to Nauru and Papua New Guinea by Australia). All figures based on official Australian government sources as reported here: https://www.homeaffairs.gov.au/reports-and-publications/reports/budgets It is worth noting that the hosting fees, but also many of the direct costs of managing facilities provided by private contractors would be fixed costs, regardless of the numbers of asylum seekers actually sent for processing at any particular time. As the numbers being sent offshore by Australia has dwindled this has left taxpayers paying as much as A$3.4 million (£1.8 million) a year per asylum seeker to hold them offshore - vastly more expensive than accommodating them in the community in Australia. See Australian Refugee Council and Kaldor Centre University of New South Wales

6 This cost has been calculated based on a comparison of the average annual cost per prisoner in the prison system being £42,670 in 2019/20 according to Ministry of Justice, Criminal Justice Statistics (December 2020). Source: https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly-december-2020

7 Total costing based on the following assumptions:

a) This cost is based on Home Office statistics ending in the year September 2021 which set out the per unit cost of processing an application for leave to remain at £142. This is the closest comparison data publicly available for conducting an assessment for Temporary Protection Status (TPS). Source: https://www.gov.uk/government/statistics/immigration-statistics-year-ending-september-2021/how-many-people-do-we-grant-asylum-or-protection-to#data-tables

b) The New Plan for Immigration stipulates that refugees in Group 2 will be assessed every 2.5 years for TPS. Our final figure assumes that the first cohort of people assessed for TPS takes place 2.5 years after the policy is implemented with subsequent cohorts assessed each year from this point. In year 5 of the policy, the total number of people assessed is doubled to account for the first cohort reaching the 5 year mark and second round of assessment. Source: https://www.gov.uk/government/consultations/new-plan-for-immigration/new-plan-for-immigration-policy-statement-accessible

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