

# Still an ordeal

The move-on period  
for new refugees

Policy, Research  
and Advocacy



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The move-on period  
for new refugees

Policy, Research and Advocacy

BritishRedCross

“

*All the things that we take for granted – like what am I going to eat next – were now a problem.*

”

Service user

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Editing and layout: Green Ink, United Kingdom ([www.greenink.co.uk](http://www.greenink.co.uk))

For media requests, please contact  
**[press@redcross.org.uk](mailto:press@redcross.org.uk)**

For more information on the policy recommendations and research, please contact **[advocacy@redcross.org.uk](mailto:advocacy@redcross.org.uk)**

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# Abbreviations<sup>1</sup>

ASPEN card	Asylum Support Payment Enablement card
BRP	Biometric Residence Permit
DL	discretionary leave
DWP	Department for Work and Pensions
ESA	Employment and Support Allowance
HB	Housing Benefit
HP	humanitarian protection
HRA	Homelessness Reduction Act 2017
HRT	habitual residence test
IS	Income Support
IT	information technology
JCP	Jobcentre Plus (part of DWP)
JSA	Jobseeker's Allowance
LAASLO	Local Authority Asylum Support Liaison Officer
LOTR	leave outside the immigration rules
NACCOM	The No Accommodation Network
NINO	National Insurance number
PGAS	Post Grant Appointment Service
RETAS	Refugee Education Training Advice Service (in Leeds)
RS	refugee status
UASCs	unaccompanied asylum-seeking children
UKVI	UK Visas and Immigration (part of the Home Office)
VPRS	Vulnerable Persons Resettlement Scheme

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<sup>1</sup> For further definitions or descriptions of many of these items, please refer to the Glossary (p.41).







# Executive summary

“

*The general public considers people to be destitute when they cannot afford to buy the essentials to eat, stay warm and dry, and keep clean.*

”

Joseph Rowntree Foundation<sup>2</sup>

“

*I struggled, with that amount of money, to live ... we just couldn't buy food.*

”

Farzam, service user (not his real name)

For someone who has just received a positive decision on their asylum application, the moment should be one of joy and relief – a moment when everything in life starts to look up. It should signal the end of living in limbo, in asylum accommodation with little money, and the start of being able to properly rebuild and establish a new life in the UK. However, for too many newly recognised refugees, the joy and relief of receiving a positive asylum decision is indeed just a moment. This moment is followed all too quickly by panic due to an eviction notice and the looming end of support payments, while a multitude of barriers prevent them from transitioning to work and mainstream benefits, which would allow them to begin rebuilding their lives.

The cause of this panic is the 28-day ‘move-on’ period that new refugees are given following a positive decision on their asylum, and the frequent impossibility of making all the necessary arrangements to move on within that time frame. These arrangements must generally include opening a bank account, finding a job and/or applying for mainstream benefits (and receiving the first wages or benefit payment), and finding and

moving into new accommodation. On day 28, any asylum support they have been receiving, including payments and accommodation, comes to an end. Our research demonstrates that this cliff edge often plunges people into destitution: the way the system is designed makes it almost impossible for new refugees to support themselves in that short time.

## Recommendation 1:

The move-on period for newly recognised refugees should be extended to at least 56 days.

## Recommendation 2:

The level of support and accessibility of information provided to newly recognised refugees to help them navigate the move-on period should be improved.

## Recommendation 3:

Refugees should be able to navigate the application process for Universal Credit with support as required and payments should be made as soon as possible.

## Recommendation 4:

Newly recognised refugees should be able to quickly and easily open bank accounts.

<sup>2</sup> Fitzpatrick S, Bramley G, Sosenko F, Blenkinsopp J, Johnsen S, Littlewood M et al. (2018). Destitution in the UK (Findings summary version). York, UK: Joseph Rowntree Foundation. <https://www.jrf.org.uk/report/destitution-uk> (accessed 25 September 2018).

## Background

In 2014, the British Red Cross became increasingly concerned over the number of destitute refugees requiring emergency support shortly after being granted asylum, and so conducted and published research on this issue. The research identified a range of contributory factors and made a series of recommendations to both the Home Office and the Department for Work and Pensions (DWP), including extending the move-on period.<sup>3</sup>

Since then, a number of other reports on the move-on period have been published by other charities and by parliamentary committees and groups. All have echoed our earlier findings and concluded that one important strategy to avoid destitution at this stage of the asylum process is to extend the move-on period.

In response, the Home Office and DWP have made a number of changes relating to the move-on period, mostly relating to guidance for officials and procedures, but the length of the move-on period has remained at 28 days. However, perhaps the most significant development has been the roll-out of Universal Credit across the UK – replacing the system of ‘legacy benefits’ including Jobseeker’s Allowance, Housing Benefit, etc. – and the substantial changes this has brought to the way people access benefits including, of vital importance in the context of the move-on period for refugees, the processing time before the first payment is made.

Despite the changes introduced by the government since the earlier report, the British Red Cross continues to support high numbers of destitute newly recognised refugees at our services. In the first six months of 2018, 9,469 destitute refugees and people seeking asylum were supported – an increase of 2 per cent compared to the first half of 2017. Of those, nearly one in five had refugee status.

The aim of this research was to examine the current experiences of new refugees during the

move-on period, and to investigate the impact of several relevant policy and practice changes since 2014 on their risk of destitution – including the Universal Credit system, the Post Grant Appointment Service (PGAS) and Biometric Residence Permits (BRPs) that include National Insurance numbers (NINOs) – and to update the recommendations of the British Red Cross.

In 2017, British Red Cross:

- Supported 15,415 destitute refugees and people seeking asylum across the UK.
- Provided destitution support to 3,795 people with refugee status.
- Gave out 18,218 food parcels.
- Provided 1,416 nappies.

## Key findings

Our research illuminated a number of factors that significantly contribute to the risk of destitution among newly recognised refugees at the end of the 28-day move-on period, mainly by causing delays to the benefits application process at various points. Significantly, the introduction of Universal Credit has led to an incompatibility between the Home Office asylum support system and the mainstream social security structures, which refugees are transitioning between.

## Problems inherent in the Universal Credit system

### Incompatible timescales and the ‘destitution gap’

Under the Universal Credit system, the risk of destitution is particularly acute for refugees due to the design of key aspects of the application process. In particular, the incompatibility of the 28-day move-on period (after which asylum support is terminated) with the minimum five-week (35-day) waiting period for the first Universal Credit payment leaves refugees facing almost inevitable destitution. All of the refugees in our sample who had applied for Universal Credit experienced difficulties and/or delays with their applications, none of them received their Universal Credit

<sup>3</sup> Carnet P, Blanchard C and Apollonio F; British Red Cross (2014). The move-on period: An ordeal for new refugees. London: British Red Cross. <https://www.redcross.org.uk/-/media/documents/about-us/research-publications/refugee-support/move-on-period-report.pdf> (accessed 12 September 2018).

“

***I didn't even know about Universal Credit – I wasn't aware of it.***

”

**Mary, service user**  
(not her real name)

payment promptly at the end of the five-week period, and all were also left destitute at the end of the 28-day move-on period, for periods ranging from six days to 72 days (ten weeks).

Registering a change of address or phone number can also cause substantial delays in the processing of Universal Credit applications, all while the 28-day clock continues to tick.

### **Inaccessible advance payments**

Unfortunately, advance payments, a key safeguard against destitution for Universal Credit applicants, were not accessed by any of the refugees in this study. Refugees are often unaware of their eligibility for advance payments or cannot receive them due to lack of a bank account or delays relating to their habitual residence test (HRT).

### **Inadequate language and IT support for the online application process**

The online nature of Universal Credit, designed for English and Welsh speaking, computer-literate users, makes it difficult if not impossible for refugees with limited English language and information technology (IT) skills to access and manage their Universal Credit applications independently. Refugees, who have had limited access to English language or IT courses during the asylum process, required significant and sustained support to complete their applications. A lack of translated information leaves refugees unable to improve their sense of agency in the process. Lack of internet access is also an issue, with refugees not having provision in their accommodation.

### **Inconsistent outreach by the Post Grant Appointment System (PGAS)**

The introduction of the PGAS, which involves the Home Office making contact with newly recognised refugees to offer support with benefit applications, does appear to be effective at setting up the client's first Jobcentre Plus (JCP) interview at an early point during the move-on period, but we found no evidence that this led to an earlier first payment or mitigated the risk of destitution at the end of the move-on period. The PGAS does not reach all new refugees – less than half of the service users in our sample had been contacted by the PGAS team after being granted asylum. Stakeholders expressed strong views that the PGAS needs to extend its remit to support people throughout the benefits application process, helping them to negotiate any barriers along the way until they obtain their first payment.

*The PGAS does not appear to make any significant difference or have any impact – it may help the client to get to the first appointment, but clients need support throughout the entire Universal Credit application process. (Stakeholder focus group)*

### **Lack of clarity on habitual residence tests (HRTs)**

The HRT is a test used to determine a person's eligibility for benefits, and it is normally conducted via an interview during the one-month assessment period after the benefits application is submitted. Any delay in scheduling or conducting the HRT, or deciding on the result of the HRT, can delay the Universal Credit claim and increase the risk of destitution. Moreover, the official guidance is unclear on the matter of whether refugees are required to take the HRT, and therefore it is being applied inconsistently by JCPs. Some JCPs do not require refugees to undertake the HRT at all, while others require them to do only the first part (to assess the right to reside in the UK), and yet others insist they must take both parts (including the second part, which assesses habitual residence).

*The official guidance is unclear – refugees used to be named on the list of groups exempt from the HRT but this is no longer the case. (Stakeholder focus group)*



### **Barriers to opening bank accounts – no access and no options**

Refugees often experience difficulties in opening bank accounts. This issue has increased in significance in the past few years as Universal Credit payments can only be made into a bank account, whereas legacy benefits could be paid through alternative channels. Banks generally request a letter from DWP as proof of address to open an account, but the online nature of Universal Credit means that the first formal letter from DWP is only generated when the first Universal Credit payment is made. This leads to a 'chicken and egg' situation whereby a bank account cannot be opened without a DWP letter, but a DWP letter will only be provided once a benefit payment is made into a bank account.

### **Delays and mistakes on Biometric Residence Permits (BRPs)**

The BRP confirms asylum status and entitlements, provides a key identification document that is necessary to open a bank account and apply for employment and benefits, and also signals the start of the 28-day move-on period. A high proportion of the refugees we surveyed had received a BRP containing an error, rendering it unusable – and it can take weeks or months for a replacement BRP to be issued.

### **Awareness of the 28-day move-on period does not reduce risk of destitution**

Most service users now understand that they have 28 days to access the mainstream benefits system before their asylum support stops. There is no evidence, however, that this awareness (which has increased since 2014) reduces the risk of destitution for new refugees. New refugees generally learn about the move-on period from contact with refugee support organisations, rather than from official Home Office or PGAS communications, which are generally written in formal language that is difficult for people with limited English to understand.

### **Homelessness**

The majority of refugees who took part in our research were able to find accommodation through the local authority at the end of the move-on period. However, the No Accommodation Network (NACCOM), whose members provide accommodation to people seeking asylum (including refugees) and other migrants, has reported that of the 3,471 people supported by NACCOM members over the past year, over 400 (12 per cent) were newly recognised refugees.



## A need to share best practice and avoid a two-tier system

Refugees granted status through the asylum system remain at a distinct disadvantage compared with those who arrive via resettlement schemes, such as the Vulnerable Persons Resettlement Scheme (VPRS).<sup>4</sup> The level of additional support provided to resettled refugees stands in stark contrast to the lack of support available to those granted asylum, who are expected to navigate a complex online benefits system designed with computer-literate English and Welsh speakers in mind. Many rely heavily on the support of the voluntary sector for this. There are huge opportunities to bring much of the good practice already established within the resettlement schemes into the mainstream arena for the benefit of all refugees, and avoid a two-tier system.

We also found that British Red Cross staff teams and organisations supporting refugees had developed successful local initiatives to help address some of the issues identified in this report, such as the difficulties opening a bank account (e.g. building strong working relationships with a local branch, use of mobile-phone and online-only banking). There was no strong mechanism, however, for sharing such examples of good practice with the wider sector.

## Conclusions

In our 2014 report, we found that the 28-day move-on period did not give newly recognised refugees sufficient time to find housing and ensure receipt of new forms of financial support to replace asylum support. The 2018 research presented in this report found that while there have been some positive developments since the 2014 report, the move-on period still exposes new refugees to an unacceptably high risk of destitution, as they are unable to secure their first mainstream benefit payment by the end of the 28-day move-on period when asylum support is terminated. As a result, instead of embarking

on a positive journey towards integration and independence, newly recognised refugees face an almost inescapable period of destitution and indignity as the first step of their new life.

This is particularly evident in areas where Universal Credit has been rolled out, as the first Universal Credit payment cannot be made until at least five weeks (35 days) after submitting the application, clearly exceeding the 28-day safety net afforded by the move-on period. We therefore conclude that that one part of current government policy – the five-week minimum waiting period for the first Universal Credit payment – is clearly incompatible with another – the 28-day move-on period – thus exposing refugees to almost inevitable destitution.

The response from the Home Office and DWP to previous findings by the British Red Cross and others that the move-on period leaves refugees at risk of destitution has resulted in changes to the information issued to newly recognised refugees and additional support for setting up initial appointments and for completing and submitting applications for mainstream benefits as soon as possible.

While these are welcome changes, this research has found that they are not sufficient to overcome the other structural issues and barriers that result in destitution being commonplace at this stage of the asylum process. Similar to the 2014 report, we found that destitution was often caused by a multitude of factors, requiring a range of measures to mitigate them. It is also evident that refugees need greater levels of information, advice and support in order to successfully transition from asylum support to mainstream support and avoid being made destitute. Between July 2017 and June 2018, 8,606 people were granted some form of status as a result of an asylum application in the UK.<sup>5</sup> For too many of those people, the move-on period exposes them to an unacceptably high risk of destitution.

As shown by our findings, the roll-out of Universal Credit has increased the risk to refugees as the system is not designed to meet their

<sup>4</sup> The VPRS, established in 2014 and expanded in 2015, is the UK's largest resettlement scheme, which aims to settle 20,000 vulnerable refugees who have been displaced as a result of the Syrian conflict with a package of information, advice and support.

<sup>5</sup> This number includes dependents, and covers grants of asylum, humanitarian protection, discretionary leave, and other leave outside the immigration rules (Home Office 2018).

needs and does not take the 28-day move-on period into account. This is not intentional – newly recognised refugees make up a very small percentage of the total Universal Credit caseload – but for those impacted, the results are significant.

In all, accessing benefit payments takes too long to see refugees through after the termination of asylum support from the immigration system, leaving too many refugees falling through the gap between the two systems. This leaves them dependent on support from charities, friends and faith-based groups, and puts them at risk of destitution, exploitation and homelessness.

We have made a number of recommendations to various parts of the government, and to ourselves, as a result of our research – please see the following subsection. None of these measures on their own will be enough to completely prevent destitution among newly recognised refugees, but taken together they will significantly reduce the risk that a positive asylum decision will shortly be followed by a period of crisis.

## Recommendations

**Recommendation 1: The move-on period for newly recognised refugees should be extended to at least 56 days, allowing time to apply for a bank account and for benefits followed by the minimum 35-day waiting period for the first Universal Credit payment.**

The Home Office should:

- Ensure that all documentation, especially Biometric Residence Permits (BRPs), are issued on time, are consistent with one another, and are accurate. If an individual's BRP is to be sent to their solicitor rather than directly to them, the newly recognised refugee should be informed of this.

The Home Office and DWP should:

- In cases where payment of Universal Credit will not be payable within the move-on period due to a lack of a bank account, consider enabling the first payment to be made using the Asylum Support Payment Enablement card (ASPEN card) that the individual would have previously used to receive their asylum support payments.

**Recommendation 2: The level of support and accessibility of information provided to newly recognised refugees to help them navigate the move-on period should be improved, ensuring they are fully informed of and engaged with the decisions they are making.**

The Home Office and DWP should:

- Publish an evaluation of the impact the Post Grant Appointment Service (PGAS) has had, including information on the percentage of newly recognised refugees who have been successfully contacted and supported to make an initial appointment with their local Jobcentre Plus (JCP), as well as the number of refugees who are subsequently in receipt of their first benefits payment before the end of the move-on period.
- Publish information online regarding the expected process of the PGAS to increase understanding of what support will be provided, including an explanation of the 'Vulnerable Persons Pathway'.
- Regularly review the 'Help available from the Department for Work and Pensions for people who have been granted leave to remain in the UK' information sheet provided to newly recognised refugees,<sup>6</sup> including by consulting refugees on how it can be made more accessible and useful.

The Ministry for Housing, Communities and Local Government should:

- Undertake an early evaluation of the Local Authority Asylum Support Liaison Officers (LAASLOs), including a process evaluation element and with a specific focus on the measurable outcomes for refugees.

The Home Office, DWP and the Ministry for Housing, Communities and Local Government should:

- Ensure that learning from the successful approaches taken nationally and locally to support refugees resettled to the UK via the Vulnerable Persons Resettlement Scheme (VPRS) and other similar programmes is applied to newly recognised refugees who have completed the asylum application process.

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6 Available at: <https://www.gov.uk/government/publications/refugees-guidance-about-benefits-and-pensions/help-available-from-the-department-for-work-and-pensions-for-people-who-have-been-granted-leave-to-remain-in-the-uk>





**Recommendation 3: Refugees should be able to navigate the application process for Universal Credit with support as required and payments should be made as soon as possible.**

The Home Office and DWP should:

- As part of the PGAS, ensure that refugees are offered a suitable interpreter at any appointment made with the JCP.

DWP should:

- Increase the accessibility of the online journal, to-do list and guidance by translating them into the main languages used by refugees, and adding audio prompts where suitable.
- Ensure Universal Credit case managers and work coaches working with newly recognised refugees are aware of the barriers the online Universal Credit system creates, and enable staff to provide additional support as required.
- Ensure that newly recognised refugees are able to apply for Universal Credit in person at a JCP (and not only told to go and apply for it independently online) and ensure that advance payments are offered where necessary.
- Clarify that refugees are not required to undertake the 'habitual residence' part (second part) of the habitual residence test (HRT), but just the 'right to reside' part (first part).

**Recommendation 4: Newly recognised refugees should be able to quickly and easily open bank accounts.**

The Home Office should:

- Provide official reference letters to banks that can be used by newly recognised refugees, along with their BRP, to open a bank account without needing to provide additional proof of address. The letter should set out the rights of the refugee, along with the relevant legislation.
- Provide official guidance to banks on the level of documentation available to refugees, including information as to why providing proof of address may not be possible.

The Financial Conduct Authority (FCA) should:

- As part of the wider work on financial inclusion, issue clear guidance to banks regarding the documentation that newly recognised refugees have and the barriers they face when attempting to provide proof of address.
- Work with UK Finance to provide training to bank staff on barriers refugees face when attempting to open bank accounts, especially

in areas that are likely to have considerable numbers of refugees.

**Recommendations for the British Red Cross**

The British Red Cross should:

- Ensure all relevant members of staff are fully trained on Universal Credit processes, including facilitating the sharing of learning from those areas where Universal Credit has already been rolled out.
- Where not already developed, build effective local working relationships with the JCP partnership managers and regional DWP refugee leads.
- Establish a 'Community of Practice' to identify and share local best practice initiatives within the British Red Cross, to complement national advocacy and to contribute to and link with existing forums within the refugee sector.
- Explore ways to build upon existing activities to improve access to employment for refugees, including by developing new operational delivery programmes.



# 1 Introduction

The British Red Cross has a long tradition of providing practical and emotional support to vulnerable refugees and people seeking asylum across the UK. Our refugee support services operate in over 50 towns and cities around the UK, to alleviate destitution<sup>7</sup> and human suffering.

People we support include ‘new refugees’ – individuals recently granted refugee status (RS), humanitarian protection (HP), discretionary leave (DL) or leave outside the immigration rules (LOTR). People granted these statuses have broadly the same rights and duties as any other UK resident, although DL and LOTR can be granted with no access to public funds. As such, they have permission to work, access health services and receive support from the Department for Work and Pensions (DWP).

Between July 2017 and June 2018, 8,606 people were granted some form of status as a result of an asylum application in the UK.<sup>8</sup> The majority of people granted RS, HP, DL or LOTR status (whom, for the purposes of this report, we will collectively refer to as ‘new refugees’ or ‘newly recognised refugees’) will have been in receipt of asylum support from the Home Office while awaiting a decision on their application for asylum. Usually, this asylum support will consist of a payment of £37.75 per person per week and accommodation on a no-choice basis. In nearly all cases, people are not allowed to work while in the asylum system (i.e. while awaiting a decision on an application for asylum and receiving asylum support).

Moving from asylum support to the mainstream benefits system and/or employment requires the issuance of key documents, and the refugee must follow a complex administrative process, much of which is increasingly conducted via online platforms. To allow time

for this transition to occur, those granted RS (or HP, DL or LOTR status) continue to receive asylum support for a further 28 days (Home Office 2002). This is known as the ‘move-on’ period, and it starts on the date the Biometric Residence Permit (BRP) is issued, since the



<sup>7</sup> This and other terms are defined in the Glossary provided at the end of this report.

<sup>8</sup> This number includes dependents, and covers grants of asylum, humanitarian protection, discretionary leave, and other leave outside the immigration rules (Home Office 2018).

BRP is the key identification document that allows the holder access to the employment market and the benefits system.

The move-on period comprises a series of events administered by the Home Office, which should occur in the order shown in Figure 1.

Despite the provision of this further 28 days of asylum support during the transitional move-on period, many refugees fall into destitution at the end of the 28 days and are reliant on emergency support from the British Red Cross and other organisations across the

UK to help them manage through a period of crisis. The British Red Cross supports over 15,000 vulnerable refugees, people seeking asylum and migrants each year through its destitution services; this support can include the provision of cash, food, clothing, toiletries and other material items. Destitution commonly occurs at key points during the process of seeking asylum, with the move-on period being a particularly critical juncture, as refugees move from the asylum support system into mainstream society, including the benefits system and employment.

Figure 1: The 28-day move-on period – sequence of documents issued and events



BRP: Biometric Residence Permit; UKVI: UK Visas and Immigration (part of the Home Office)

## 2 Background

### 2.1 Previous research into move-on issues

In 2014, the British Red Cross published *The move-on period: An ordeal for new refugees*, a report on the issues refugees face during the 'move-on' transition period designed to allow them to move from asylum support to mainstream society, including long-term accommodation, the benefits system and/or employment (Carnet et al./British Red Cross 2014). The 2014 report examined the challenges of moving from asylum support to mainstream benefits and identified several preventable problems that commonly arise during the move-on period and which can lead to destitution.

This report follows on from the previous research, examining to what extent the previously identified issues are still relevant while exploring the impact of the following changes in the external policy environment.

- Universal Credit – Currently being rolled out across the country, replacing several existing benefits (now known collectively as 'legacy benefits') with one single monthly payment.
- The Post Grant Appointment Service (PGAS) – Introduced by the Home Office to facilitate early contact between newly recognised refugees and the Department for Work and Pensions (DWP).
- National Insurance number (NINO) – Since December 2017, NINOs are printed directly onto Biometric Residence Permits (BRPs), negating the need for the NINO to be sent in a separate document, thus reducing delays in receiving the NINO.

Since the publication of our 2014 move-on report, several other organisations have also published reports looking at refugee move-on issues, including the Refugee Council's *England's forgotten refugees: Out of the fire and into the frying pan* (Basedow and Doyle/Refugee Council 2016), the All-Party Parliamentary Group (APPG) on Refugees' report *Refugees welcome? The*

“

***We recommend that the Home Office and the Department for Work and Pensions should ensure that the first payment of Universal Credit is made within the move-on period. This might be achieved either through extending the length of the move-on period, or, failing that, bringing forward the timing of the first payment. We also recommend that the online application form for Universal Credit should be changed so that it can be submitted without having to provide bank details.***

”

***Recommendation from Refugees welcome? The experience of new refugees in the UK (APPG on Refugees, 2017)***

*experience of new refugees in the UK* (APPG on Refugees 2017) and, most recently, *Mind the gap: Homelessness amongst newly recognised refugees*, published by the No Accommodation

Network (NACCOM) in May this year (Smith/ NACCOM 2018). Each of these reports adds to an increasing body of evidence highlighting how government policies directly contribute to the destitution of refugees and, in particular, that the 28-day move-on period is not long enough to prevent the destitution of new refugees.

In addition to the above, there have been a number of parliamentary calls for reform, including a recommendation from the House of Commons Work and Pensions Committee that DWP should conduct an investigation into the move-on period (Work and Pensions Committee 2015), and findings from the House of Commons Home Affairs Select Committee report on asylum accommodation, which concluded that the 28-day move-on period was insufficient and that a two-tier system was developing in terms of the information, advice and support available to refugees recognised through the asylum process compared with that available to refugees resettled in the UK through resettlement schemes (Home Affairs Select Committee 2017).

## 2.2 Universal Credit

### 2.2.1 History and background

The introduction of Universal Credit represents the largest single reform to the UK's welfare system for a generation. DWP is currently in the process of introducing Universal Credit, which will replace six means-tested benefits for working-age households: Jobseeker's Allowance (JSA), Income Support (IS), Housing Benefit (HB), Employment and Support Allowance (ESA), Working Tax Credit and Child Tax Credit ('legacy benefits'; see Figure 2).

The stated aims of Universal Credit are to:

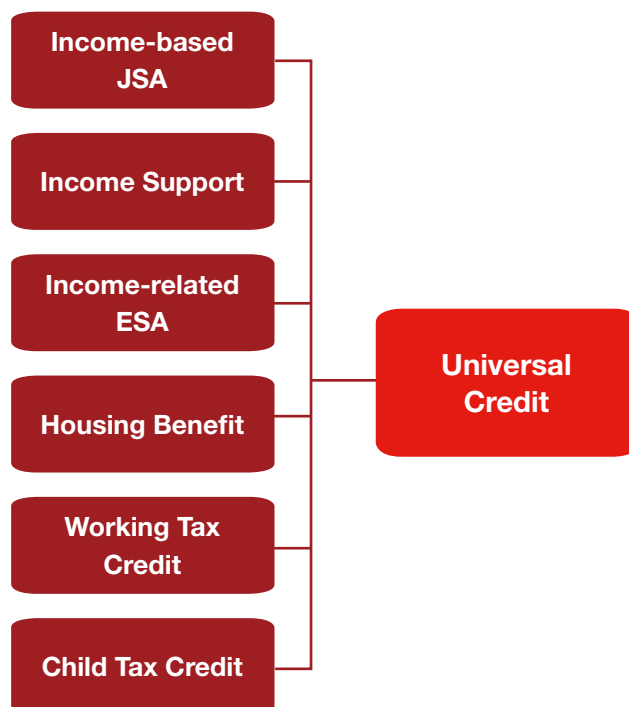
- encourage more people into work by introducing better financial incentives, simpler processes and increasing requirements on claimants to search for jobs;
- reduce fraud and error; and
- reduce the costs of administering benefits (NAO 2018).

Universal Credit achieves this by introducing a number of features, including:

- online accounts for management of the application process, onward communication and claims;
- a single, monthly household Universal Credit payment, paid into a bank account;
- direct payment of housing support to the claimant, in most cases, as part of their monthly Universal Credit payment (rather than to the claimant's landlord).

Full-service Universal Credit is subject to a phased roll-out across the UK, which is currently due to be completed in December 2018. After the roll-out process has been completed, DWP will then begin moving all remaining existing benefit claimants to Universal Credit starting in 2019, with anticipated completion in 2024-25. As of 9 August 2018, there were 1.1 million people receiving Universal Credit payments;<sup>9</sup> this represents approximately 13 per cent of the projected number of claimants once it has been fully implemented (NAO 2018).

**Figure 2: Legacy benefits replaced by Universal Credit**



ESA: Employment and Support Allowance;  
JSA: Jobseeker's Allowance

9 Universal Credit Official Statistics, available at: <https://dwp-stats.maps.arcgis.com/apps/MapSeries/index.html?appid=f90fb305d8da4eb3970812b3199cf489>



Claimants move onto Universal Credit in three ways:

- New claims – Those submitting new benefit claims will receive Universal Credit if full Universal Credit service has already been rolled out where they live.
- Transition from existing benefits to Universal Credit – If an individual's or household's circumstances change and full Universal Credit service has already been rolled out where they live, then they will be moved onto Universal Credit.
- Migration from legacy benefits – Starting in 2019, everyone on any legacy benefits will be moved onto Universal Credit regardless of whether or not there has been a change in their circumstances.

More information on the Universal Credit programme's evolution since the reset in 2013, its implementation progress and DWP's future plans is available in the June 2018 publication by the National Audit Office, *Department for Work & Pensions: Rolling out Universal Credit* (NAO 2018).

### 2.2.2 How does Universal Credit work?

Applicants are expected to submit an online application to claim Universal Credit. To do this, the claimant needs internet access (and any support they may need with English or information technology skills). They must set up their account and log-in details and then, immediately or within seven days, they must enter their identification and contact details, after which they will be sent a verification code that must be used to verify their account within one hour. Following account verification, the claimant can immediately, or within 28 days, complete all the requested information about their case, including bank details, and then agree to the declaration of responsibility and submit the claim. If the claimant has all the necessary information to input, this application can be completed in a day. Any additional time they take to enter the required details will delay their claim (e.g. if they have to first open a bank account and if there are any delays associated with this). From the date the claim is submitted, a minimum five-week (35-day) waiting period begins before the first payment will be made (see a graphic representation of this process in Appendix A).

After submitting the Universal Credit claim, there is a one-month assessment period (see Figure 3). First the claimant must book an initial interview by calling a phone line and verifying their identification (either online or at the Jobcentre Plus [JCP]), and then attend the interview to provide details to confirm their eligibility for Universal Credit. At this interview (or at a second interview or online), the claimant must accept a 'claimant commitment' detailing what actions they agree to take to find work. At the end of the assessment period, there will be a one-week payment processing period (see Figure 3 and Appendix A).

During the assessment period, some benefits claimants (mainly non-nationals but also UK nationals who have been living abroad) must undergo a habitual residence test (HRT) interview to determine their eligibility for benefits in the UK. It is currently unclear whether refugees are required to undergo either part of the two-part HRT; see Section 4.1.3. If an HRT is done, this pauses the processing of the Universal Credit claim until a decision is made on the result of the HRT, thus lengthening the waiting period for the first payment.

The five-week minimum period between applying for Universal Credit and receiving the first payment comprises the stages shown in Figure 3.

The minimum five-week waiting period to receive the first Universal Credit payment creates an immediate problem for refugees in the move-on period who only have 28 days between the day their BRP is issued and the day their asylum support is terminated.

However, a key safeguard exists in the form of an advance payment to prevent new Universal Credit claimants from falling into destitution while waiting for their first payment. Claimants can request an advance payment up to the amount of their anticipated monthly Universal Credit payment while waiting for their first payment. Initially, claimants could only receive an advance payment of up to 50 per cent of their estimated Universal Credit payment, repayable within six months. In November 2017, changes were announced making it easier for claimants to claim an advance payment and allowing them to receive up to 100 per cent of their estimated monthly award, repayable within 12 months.

**Figure 3: Universal Credit application – stages over the five weeks between claim submission and first payment**



DWP: Department for Work and Pensions; UC: Universal Credit

Advance payments work as follows:

- The maximum payable as an advance payment is up to 100 per cent of the estimated monthly Universal Credit amount due.
- Advance payments are in effect interest-free loans, which must be repaid within 12 months via deductions from subsequent monthly Universal Credit payments.
- Repayments are made in addition to other deductions, which can be up to 40 per cent of the Universal Credit allowance, if claimants have other debts to repay to DWP, such as rent arrears.

## 2.3 Post Grant Appointment Service

The Post Grant Appointment Service (PGAS) is a new initiative whereby UK Visas and Immigration (UKVI, part of the Home Office) offers to contact DWP on behalf of people recently granted status to help them schedule a DWP interview appointment at the JCP. The service aims to support refugees in contacting DWP at the earliest opportunity, to ensure benefit payments are in place by the time asylum support payments cease. This reflects the findings from internal evaluations carried out by the Home Office and DWP, which concluded that the main reason newly recognised refugees were experiencing gaps in support was due to a failure to access JCP processes early enough.<sup>10</sup>

A pilot of the PGAS, which is also known as the 'warm handover' process, was initially conducted from December 2016 to March 2017 in the North East, Yorkshire and Humber, before being rolled out nationally later in 2017. The national PGAS roll-out was completed in October 2017. An example of a standard PGAS letter to newly granted refugees can be found in Appendix B.

No formal description of the PGAS has been published, but unpublished information indicates that the process is as follows, after the refugee has been granted leave to remain and been sent their BRP:

1. The Home Office telephones the refugee to establish whether they need any assistance making a claim for benefits.
2. If the refugee cannot be reached by phone, or they do not call back following a message in their own language, the Home Office writes to them to invite contact for assistance.
3. If the refugee would like help to apply for benefits, the Home Office contacts the refugee's local JCP to make an appointment for a Work Focussed Interview (WFI).
4. The Home Office then contacts the client to give the WFI appointment details and advise them of the documents they need to take with them.
5. The client attends the WFI appointment with the relevant documentation.

After the steps above, DWP should take the claim for benefits and offer an advance payment if appropriate, and the Home Office/UKVI should follow up with the client to ensure that they attended the WFI.

<sup>10</sup> Comment from Lord Bates during the passage of the Immigration Act 2016 (15 March 2016): <https://publications.parliament.uk/pa/ld201516/ldhansrd/text/160315-0003.htm> (column 1837)

The Home Office has stated that refugees who accept assistance through the PGAS should automatically be routed onto DWP's 'Vulnerable Persons Pathway'.<sup>11</sup> It is not clear, however, what additional support is available to refugees who are routed onto this pathway, as there is no published information or guidance on what the pathway entails.

## 2.4 Changes to Biometric Residence Permits

The Biometric Residence Permit (BRP) is a government-issued identity card given to people who are granted leave to remain in the UK. Information contained on the BRP includes the person's name, their date and place of birth, their fingerprints, a photograph of their face, their immigration status, their National Insurance number (NINO, see next paragraph) and any conditions of stay, such as whether or not they can access public funds. For newly recognised refugees, the BRP is often the only form of official identification they have to prove their identity for the purpose of employment, securing accommodation and opening a bank account, and it also proves their entitlements to statutory services and benefits.

In December 2017, the UKVI announced that from 8 January 2018 they would begin printing NINOs directly onto BRP cards, thus negating the need to send out the NINO in a separate document, and ensuring refugees receive their BRP and NINO together. This new initiative was launched in response to the issue outlined in the previous move-on report (Carnet et al./ British Red Cross 2014), whereby refugees were experiencing long delays in obtaining their NINO, resulting in delays in accessing welfare benefits.

## 2.5 Local Authority Asylum Support Liaison Officers

During the period of the research presented in this report (June – August 2018), the government confirmed new funding to pilot a number of

Local Authority Asylum Support Liaison Officers (LAASLOs) to work with newly recognised refugees to provide them with information and support to help with their transition from asylum support to mainstream society, employment and/or benefits. The pilot scheme, funded by the Controlling Migration Fund, will provide 35 full-time LAASLOs across 19 local authorities to which significant numbers of people seeking asylum have been dispersed.

Recruitment of LAASLOs was ongoing during our research, making it too early to assess the impact these roles will have on mitigating the challenges identified in this report. The government has indicated that there may not be a single overall evaluation of the LAASLO scheme, but each local authority will undertake its own evaluation.

Table 1 lists the local authorities with funding for LAASLO posts.<sup>12</sup>

**Table 1: Local authorities with funding for LAASLO posts**

Local authority	Number of officers
Birmingham	2
Bradford	2
Coventry	2
Greater Manchester Combined Authority*	17
Leeds	2
Middlesbrough	2
Newcastle	2
Sandwell	2
Sheffield	2
Wolverhampton	2

\* Made up of ten councils.

<sup>11</sup> A public reference to the pathway by a Home Office minister can be found in this transcript of this Lords debate (19 July 2017): <https://hansard.parliament.uk/lords/2017-07-19/debates/02FCEA8A-3782-431D-9C2C-DEA8D4783847/Refugees> (column 1702)

<sup>12</sup> The job description for Local Authority Asylum Support Liaison Officer (LAASLO) is available at: [https://www.local.gov.uk/sites/default/files/documents/171123%20LAASLO%20job%20description\\_FINAL.pdf](https://www.local.gov.uk/sites/default/files/documents/171123%20LAASLO%20job%20description_FINAL.pdf)

## 2.6 Homelessness Reduction Act 2017

The Homelessness Reduction Act 2017 (HRA) places new legal duties on English councils to ensure that everyone who is homeless or at risk of homelessness has access to meaningful assistance, irrespective of their priority need status, as long as they are eligible for public assistance in the UK. The HRA, which came into force in April 2018, thus extends the duties of local authorities to prevent and relieve homelessness.

The key changes are:

- The period that someone can be deemed as being 'threatened with homelessness' has been extended to 56 days (formerly 28 days). The implication is that the housing provider must give at least 56 days' notice before they can evict a person, and must let the local authority know at the same time.
- Local authorities have new responsibilities to prevent or relieve homelessness. Duties of prevention apply to all eligible people, regardless of priority need status, local connections (i.e. if they live or work in the area) or intentionality (i.e. if they intended to make themselves homeless). Duties of relieving homelessness apply to all eligible people who are already homeless, regardless of priority need status or intentionality. Local authorities can refer people on if they have local connections in an area other than the area they are currently in.
- Specified public bodies are required to notify local authorities about service users they think may be homeless or at risk of becoming homeless (this is termed the 'duty to refer'). This duty comes into force in October 2018.

While refugees may be able to benefit from the prevention duty, they will be very unlikely to have the full 56 days in which to do so due to the 28-day move-on period. Additionally, refugees do not have prior notice of when a decision will be made on their asylum application (it can sometimes take years before a decision is made), meaning it is impossible to plan for the move-on transition prior to receiving notice of the decision.

## 2.7 Vulnerable Persons Resettlement Scheme

The Vulnerable Persons Resettlement Scheme (VPRS) was initially established in 2014 and expanded in 2015. It is a joint scheme of the Home Office, the Department for International Development (DFID) and the Ministry of Housing, Communities and Local Government. The VPRS aims to resettle 20,000 vulnerable refugees who have been displaced as a result of the Syrian conflict. The resettlement programme works by selecting vulnerable refugees who have been living in refugee situations and resettling them to towns and cities across the UK with a 12-month package of funded support, managed by the relevant local authority.

The successful delivery of the VPRS has, in many cases, led to more joint approaches and improved coordination among various statutory services. Resettled refugees are often provided with a dedicated caseworker to support their integration, and to facilitate additional support and increased awareness from the JCP. The support provided to refugees resettled through the VPRS stands in stark contrast to the lack of support available to refugees granted status through the asylum system, effectively creating a two-tier system. There are, however, huge opportunities to take the learning and best practices from the VPRS and mirror elements of it within the move-on process.





### 3 Research objectives and methodology

The aim of the research was to examine the impact of several policy changes affecting refugees, especially those changes with implications for the move-on period, and to update the recommendations of the British Red Cross.

The objectives of the research were to:

1. Explore the current difficulties experienced by newly recognised refugees when moving from asylum support to the mainstream benefits system and employment, and the effects of those difficulties. Focus was placed on:
  - the impact of Universal Credit on the risk of destitution following the move-on period;
  - the impact of the Post Grant Appointment Service (PGAS) in reducing the risk of destitution; and
  - the impact of National Insurance numbers (NINOs) being printed on Biometric Residence Permits (BRPs).
2. Explore current move-on issues as seen by the British Red Cross and partner organisations' front-line teams.
3. Outline recommendations to reduce the risk of destitution during the move-on period.

This study employed a mixed-methods design, including the following elements:

- a desk review of existing literature and available quantitative data;
- questionnaires (administered by caseworkers) completed by 26 refugees, who were accessing support at British Red Cross and partner

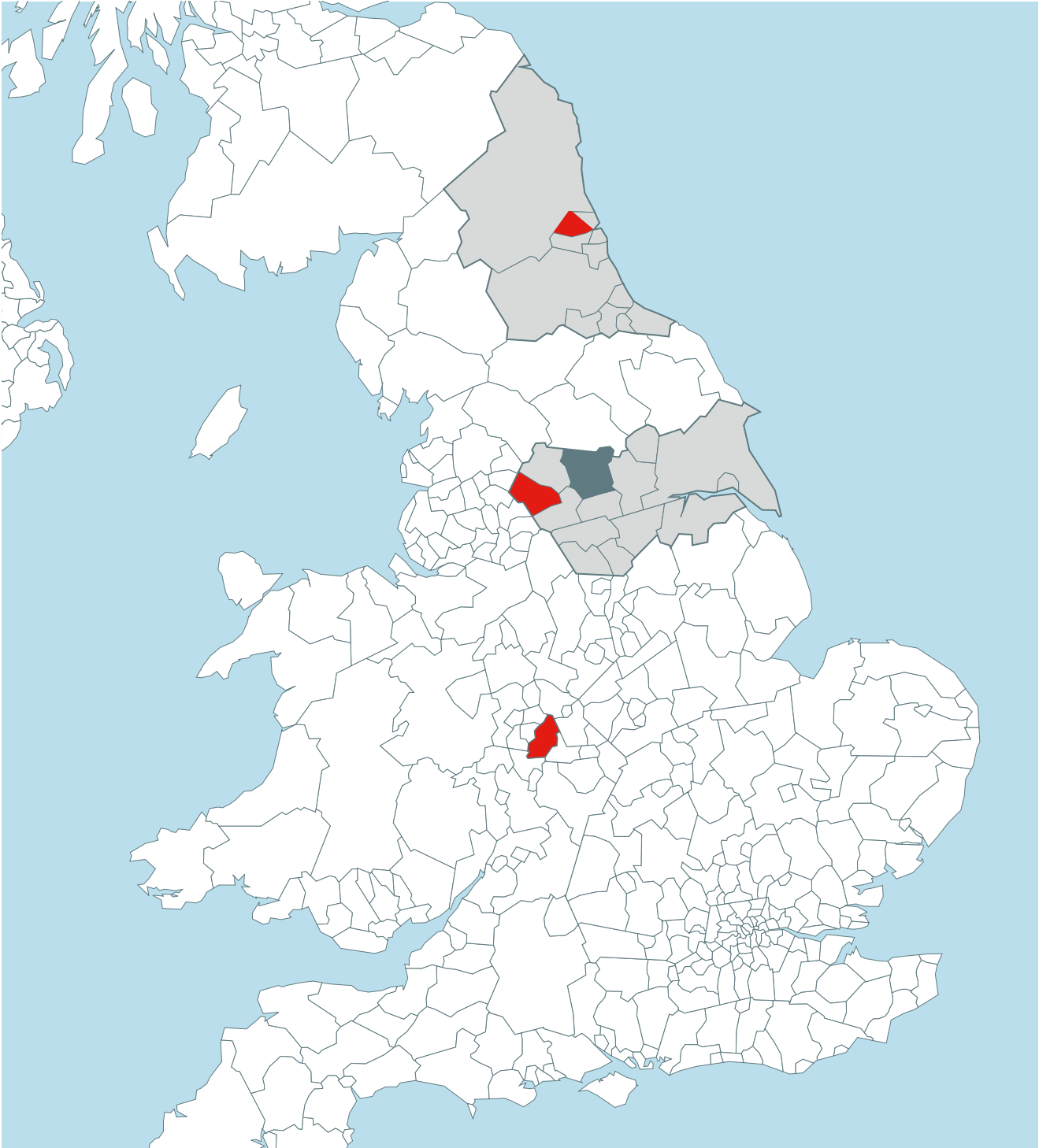
organisations, and who met the following criteria:

- presented at the participating services in July and August 2018, in four areas: Newcastle and Halifax (where Universal Credit and PGAS were both well established); Leeds (a legacy benefit area where PGAS was well established); and Birmingham (a mixed Universal Credit and legacy benefit area, but respondents were only from Universal Credit locations in the city; Birmingham was included as a comparator from the previous research)
- currently (or recently) in the move-on period and in the process of applying for (or had recently applied for) mainstream benefits (23 for Universal Credit, 2 for Jobseeker's Allowance and 1 for pension credit);
- case file reviews of the same 26 service users, who had agreed to participate in the research;
- stakeholder interviews and five focus group discussions (two groups in one of the field sites) with 18 volunteers and staff members who have experience of supporting service users through the move-on period; and
- interviews with three service users to inform case studies, detailing the common issues experienced by refugees during the move-on period.

The research was carried out from June to August 2018.

The names of all participants have been changed and none of the photos in the report are of participants.

Figure 4: Map of Universal Credit and 'legacy benefit' field sites



- Key**
- Universal Credit field sites Newcastle, Halifax and Birmingham
  - Legacy benefit field site Leeds
  - PGAS 'warm handover' pilot areas North East, Yorkshire and Humber\*

PGAS: Post Grant Appointment Service

\* Note that the PGAS has now been rolled out nationwide, but as it was originally piloted in these areas, this is where it is most embedded (i.e. not including Birmingham).

## 4 Findings



*All the things that we take for granted – like what am I going to eat next – were now a problem.*



Service user

### 4.1 Factors contributing to the risk of destitution

Research findings highlighted a number of factors (or barriers) that significantly contribute to the risk of destitution among newly recognised refugees at the end of the 28-day move-on period, mainly by causing delays to the benefits application process at various points:

1. Problems inherent in the Universal Credit system
2. Inconsistent outreach by the Post Grant Appointment Service (PGAS)
3. Lack of clarity on habitual residence tests (HRT)
4. Barriers to opening bank accounts
5. Delays and mistakes on Biometric Residence Permits (BRPs)
6. Awareness of the 28-day move-on period
7. Homelessness.

Most refugees experienced a combination of these factors, rather than one single factor, requiring intensive casework support to overcome them. The contributory factors are explored in turn in more detail in the following subsections, along with three case studies to illustrate the impact of these difficulties on real people's lives.

#### 4.1.1 Problems inherent in the Universal Credit system

Our research found that the design of Universal Credit and the nature (and duration) of the move-on period make destitution among newly recognised refugees practically inevitable. The

minimum five-week (35-day) waiting period for the first Universal Credit payment after the application has been submitted is not compatible with the 28-day move-on period, after which asylum support is terminated. Moreover, a range of barriers and problems with the Universal Credit application process cause delays in the completion and submission of Universal Credit claims, such as the level of English language and information technology (IT) skills needed to engage with the online portal.

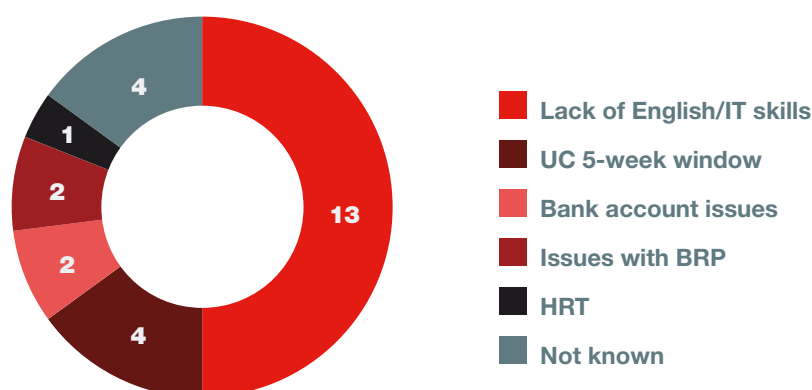
#### Factors contributing to delays in the application for and payment of Universal Credit

Our findings show that all 26 of the surveyed refugees, who had all applied for benefits (23 of them had applied for Universal Credit), had experienced problems with their applications and also subsequently became destitute at the end of the 28-day move-on period.

Chart 1 shows the distribution of the primary factor, as reported by service users and seen in their case files, contributing towards delays in the receipt of their first payment.

Thirteen of the 26 service users had experienced problems during the move-on period primarily due to a lack of English language skills and/or IT skills. This was particularly apparent in areas where Universal Credit had been rolled out, as the Universal Credit system requires claimants, including new refugees, to manage their claims and communicate with the Jobcentre Plus (JCP) via an online portal. Stakeholders consistently reported that refugees were struggling to understand the instructions being provided to them via the online 'to-do list' and were not

**Chart 1: Primary issue contributing to delays in service users receiving their first benefits payment**



Source: Data extracted from analysis of 26 service-user questionnaires and review of case files.

BRP: Biometric Residence Permit; HRT: habitual residence test; IT: information technology; UC: Universal Credit

able to complete their online journal without intensive and ongoing support (the journal is a section within the claimant's online Universal Credit account where they can record actions, changes to circumstances, etc.). Such support is currently provided by the staff and volunteers of organisations in the voluntary sector.

*Clients require intensive support with the online journal – it's easy to miss something on the online to-do list, which can then result in the application being closed down by DWP. (Stakeholder focus group)*

*No one I've come across knew what their Universal Credit 'to-do' list was. (Stakeholder focus group)*

Service users and stakeholders indicated that lack of English skills represents a major barrier for refugees attempting to navigate the Universal Credit system, as the online application system is only available in English and Welsh.

*It would have been better for me if the Universal Credit system was available in Arabic. I would have been able to apply by myself and would not need as much support from the support worker. (Service user)*

A lack of IT skills is also a major barrier for refugees who may not have experience of using computers or the internet. Stakeholders all consistently reported providing intensive support to refugees to help them log on to the Universal Credit system, set up their individual accounts,

complete their applications and manage their claims. Internet access is another barrier, with many new refugees not having anywhere to access their online Universal Credit account.

*Some clients can access the internet on the phone [but in their own language] – the challenge is in reading instructions in English. Low English levels make it impossible for clients to understand the online to-do list. (Stakeholder focus group)*

Many stakeholders expressed concern over the additional workload Universal Credit had created for their teams, due to the high level of one-to-one support required to assist refugees in accessing and managing their Universal Credit online accounts. Concerns were also raised about the long-term nature of the required support, with refugees struggling to improve their English and IT skills to the level that would enable them to manage their Universal Credit accounts independently. Many stakeholders reported that the workload felt unsustainable, yet they were struggling to identify a point at which clients would no longer need to access their support services and felt they were at risk of creating dependency.

*They [the clients] just end up coming back to us. (Stakeholder focus group)*

*I need to see my support worker at the hostel every two to three days to check my online account. (Service user)*



*My support worker needs to explain to me what is on my online journal. (Service user)*

*The role of my support worker was very important to help me through the process. (Service user)*

During the focus group discussions, stakeholders reported a range of factors contributing to delays in the benefits application process and leading to destitution among new refugees (Chart 2); these factors were similar to those reported by service users (Chart 1). Stakeholders were asked to rank the top three factors out of five factors, according to the frequency of occurrence. As shown in Chart 2, stakeholders gave greater weighting to the minimum five-week application processing period for Universal Credit as the main contributory factor (32 per cent of assigned points), while a lack of English/IT skills was ranked as the next most common factor (26 per cent), with bank account issues coming in third place (18 per cent).

### **The minimum five-week application-processing period means an inevitable period of destitution**

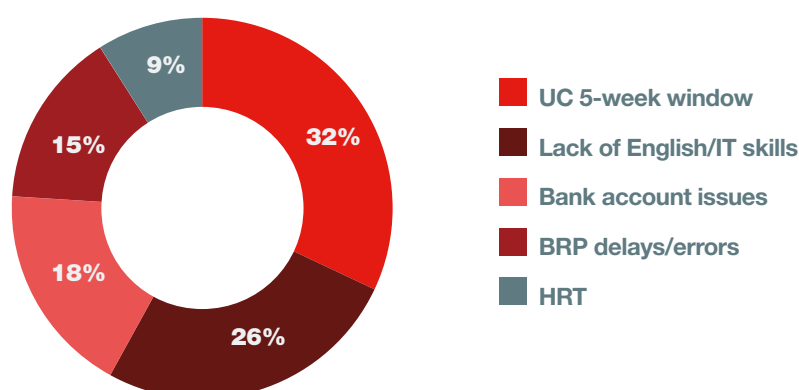
There is strong evidence that the minimum five-week application processing period for Universal Credit places refugees at high risk of destitution as it exceeds the 28-day move-on

period during which they continue to receive asylum support. Of the service users who completed the questionnaire, none received their first Universal Credit payment at the end of the five-week period. Stakeholders who participated in the discussion groups reported that it often takes much longer for refugees to receive their first payment due to the complicating factors (discussed in the previous subsection).

Even in the best-case scenario, where a Universal Credit application is submitted as soon as possible after receiving the BRP, and the first payment is received promptly five weeks later, newly recognised refugees are still subject to a 'destitution gap' between the end of the 28-day move-on period and their first Universal Credit payment, as shown in Figure 5.

In reality, the actual length of the destitution gap was commonly much longer than a week. An analysis of the service-user questionnaires found that all of the refugees who had applied for Universal Credit and reached the end of the move-on period (i.e. 21 respondents) had experienced destitution, ranging from six days to 72 days (ten weeks). At the time of completing the questionnaire, the destitution issue had not been resolved and was still ongoing for all the respondents.

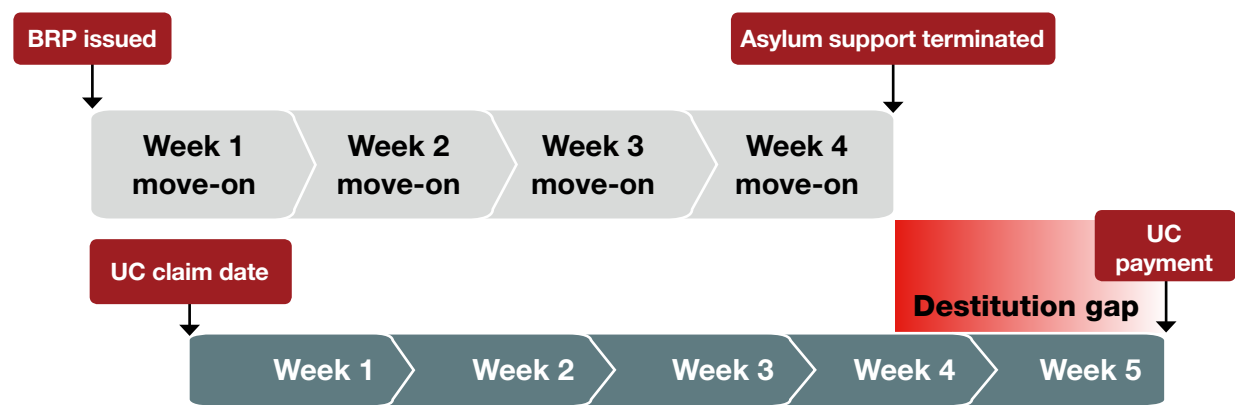
**Chart 2: In your experience, what are the main factors contributing towards the destitution of newly recognised refugees?**



Source: Data taken from the five stakeholder focus group discussions. Each group of stakeholders was asked to identify and rank the top three contributory factors. The top-ranked was then awarded 3 points, the factor ranked second was awarded 2 points, and the factor ranked third was awarded 1 point. The total points for each of the five factors from all the stakeholder focus groups were then added up and these are shown in the chart as percentages of the total points.

BRP: Biometric Residence Permit; HRT: habitual residence test; IT: information technology; UC: Universal Credit

Figure 5: The destitution gap emerges before the first Universal Credit payment can be made



BRP: Biometric Residence Permit; UC: Universal Credit

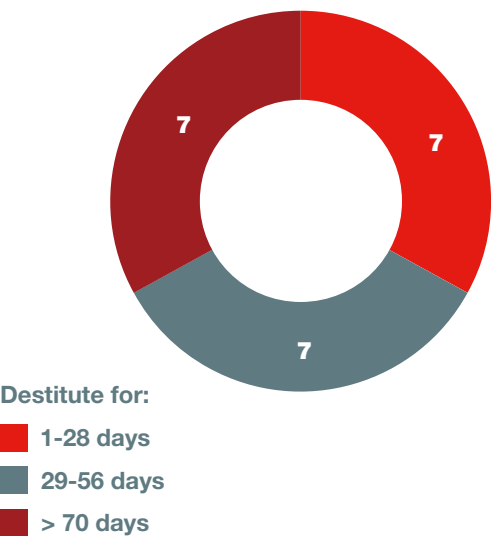
Chart 3 shows the periods of destitution among the group of respondents who had applied for Universal Credit and reached the end of the move-on period. It's important to note that all these cases were not yet resolved at the point of completing the questionnaire and, as such, these data do not represent the total time spent destitute as it will have continued after fieldwork ended.

Chart 4 shows an analysis of stakeholders' views on the length of time it took between applying for Universal Credit and receiving the first payment.

Of all the stakeholders who participated in the focus groups, none reported that refugees received their first payment within the 28-day move-on period. Eleven of the 18 participants said that it took an average of five to six weeks to obtain the first payment after submitting the claim (though this would be dependent on the refugee receiving intensive support from the front-line organisation), while seven stated that it took seven or more weeks on average.

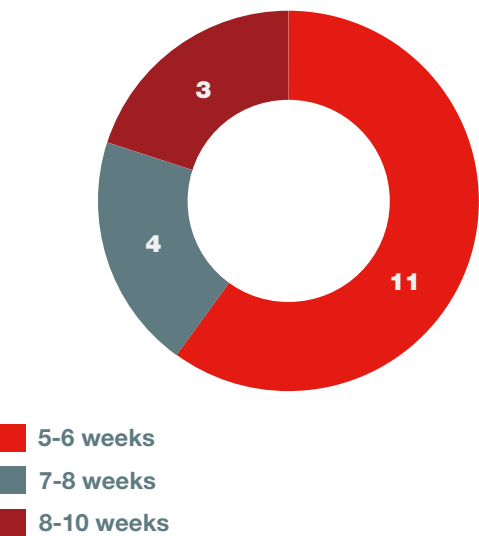
Stakeholders in Universal Credit areas reported greater than average waiting times compared

Chart 3: Periods of destitution after the 28-day move-on period among new refugees who had applied for Universal Credit and reached the end of move-on



Source: Data extracted from analysis of 21 service-user questionnaires and review of case files.

Chart 4: In your experience, how long does it take for new refugees to receive the first benefit payment after the Universal Credit claim date?



Source: Data extracted from five stakeholder focus groups with a total of 18 participants.

to those in legacy benefit areas. All focus group participants who reported average waiting times of between seven and ten weeks were based in Universal Credit areas. Stakeholders also expressed concern that registering a change of details, such as a change of address, would take the Department for Work and Pensions (DWP) up to a week to process, thus further delaying the assessment of the claim and the payment. Given that newly recognised refugees will generally be required to leave their asylum accommodation by the end of the move-on period, the need to register a change of details is likely to take place in a majority of cases.

*If you go on the online journal and do everything they ask but then register a change [like a change of address] it can take a week for them [DWP] to process the change.*  
(Stakeholder focus group)

### Advance payments

Findings gathered from our questionnaire respondents and stakeholder groups indicate that very few refugees receive advance payments from the Universal Credit system, either because they are not made aware of their eligibility to apply for an advance payment or because they applied but had some form of barrier preventing payment or making them ineligible. As a result, refugees are exposed to a far greater risk of destitution than the general population, since the key safeguard against destitution built into the Universal Credit system is commonly not accessible to refugees.

The research identified two main barriers preventing refugees from accessing advance payments. The first was that refugees were often unaware of their eligibility for advance payments. Most of the participating stakeholders expressed concern that the JCP does not routinely inform refugees of their eligibility for advance payments, and it is often left to the front-line organisation to identify the need for an advance payment, inform the refugee of the application process and support them in making an application.

The second barrier preventing refugees from accessing advance payments is that advance payments can only be paid into a bank account, so they cannot be paid to those refugees who are struggling to open a bank account, which is

a common difficulty (see previous discussion and Charts 1 and 2, and Section 4.1.4). In addition, the research identified cases where an advance payment could not be made as the Universal Credit application was awaiting the result of the HRT to confirm eligibility (see Case Study 2, and Section 4.1.3 on the HRT).

*If you don't ask [about advance payments], you don't get ... if they [DWP] put something like that in place, they should disseminate information about it, so people can benefit.*  
(Stakeholder focus group)

### Stakeholder focus group

DWP have stated that 60 per cent of claimants receive new claim advance payments (across the general population) while awaiting their first payment (NAO 2018, Figure 13). This stands in stark contrast to the finding that only two of the 26 refugees surveyed for this research applied for an advance payment under Universal Credit (one applied under JSA), and neither received the payment. This highlights the critical failure of the key safeguard in the Universal Credit system, which is currently unable to address the specific barriers faced by refugees.

### 4.1.2 Inconsistent outreach by the Post Grant Appointment Service (PGAS)

While our findings show that the PGAS may be effective at setting up an initial interview for the client at the JCP at an early point during the move-on period, we found no evidence that this resulted in refugees receiving their first payment, or even an advance payment, before the end of the move-on period. Our research identified a number of barriers that cause delays to the benefits application process at various points (the factors that we are describing in these subsections). The principle of supporting refugees to make prompt contact with the local JCP is welcome as it addresses one factor that commonly leads to delay, but the PGAS only goes as far as setting up the initial interview, rather than addressing the other barriers and facilitating the whole process of applying for benefits.

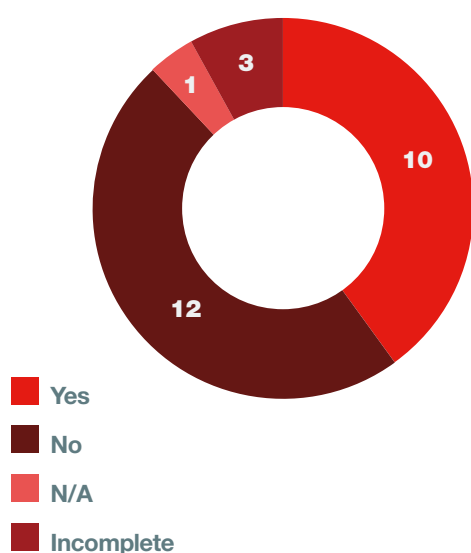
Moreover, the PGAS does not reach all newly recognised refugees. We found that only ten of the 26 surveyed service users reported being

contacted by the Home Office through the PGAS team after being granted asylum (Chart 5). It is not clear why the level of contact from the PGAS team is so low, though it suggests that there may be issues with the quality of data used by the PGAS team to contact service users, and this may be due to the roll-out of the new Home Office ATLAS database, which is replacing two IT systems that have been in place across the Home Office. Further insight may be available once the findings of the government's evaluation are made public.<sup>13</sup>

*The PGAS does not appear to make any significant difference or have any impact – it may help the client to get to the first appointment, but clients need support throughout the entire Universal Credit application process. (Stakeholder focus group)*

Analysis from the stakeholder focus groups shows that while there is a high level of awareness of the PGAS among front-line

**Chart 5: Were you contacted by the Home Office, by letter and/or telephone, offering support to make an appointment for you at the local Jobcentre Plus?**



Source: Data extracted from analysis of 26 service-user questionnaires.

organisations, this is coupled with a low level of confidence that the PGAS is effective in reducing the risk of destitution. Caseworkers stated that they had seen no evidence that the PGAS reduces the delay in payment of benefits. None of the stakeholders who took part in the research were aware of any PGAS clients being routed onto the 'Vulnerable Persons Pathway' (which should occur if the client accepts the PGAS assistance), or any clients who had received any additional support from DWP as a result of the PGAS intervention. This suggests a clear disconnect between the Home Office's understanding of the level of additional support offered through the 'Vulnerable Persons Pathway' and the reality on the ground for newly recognised refugees engaging with the JCP.

*It [the PGAS] doesn't make a difference, because DWP still expect them [clients] to do everything themselves ... the refugee sector ends up having to do the job. (Stakeholder focus group)*

In addition, there is some evidence from the stakeholder focus groups that some service users received calls from the PGAS but did not understand the nature of the call, resulting in them presenting at a front-line organisation for confirmation and follow-up. There were also alarming reports of small numbers of service users who had been contacted by the PGAS before they had received any official notification of a decision on their status, raising concerns about the level of care taken by Home Office staff to follow the correct sequence of events for individual cases. Stakeholders expressed strong views that the PGAS needs to extend its remit to support people throughout the benefits application process, helping them to negotiate any barriers along the way until they obtain their first payment.

Clients were also asked whether their phone number had changed since applying for benefits, to get a sense of whether this was contributing to their challenges. Eighteen of our 26 service users reported that they had not changed their phone number.

*You think you're graduating [when you are granted status], but the graduation never happens within the 28 days – it always takes longer than that. (Stakeholder focus group)*

<sup>13</sup> Government ministers have committed to making this information public on a number of occasions, including in a written answer from Baroness Buscombe to a question from Baroness Lister of Burtersett (HL8775). Available at: <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Lords/2018-06-19/HL8775/>



### 4.1.3 Lack of clarity on habitual residence tests (HRTs)

*The official guidance is unclear – refugees used to be named on the list of groups exempt from the HRT but this is no longer the case. (Stakeholder focus group)*

The HRT is one of the tests used to determine eligibility for benefits in the UK. It is a two-part test to establish whether the person (a) has a right to reside in the UK and (b) is habitually resident in the UK. The HRT is normally conducted via an interview. If the HRT is required, it is done during the one-month assessment period that follows submission of a Universal Credit application, but the HRT must be completed – and the person determined eligible for benefits – before the first benefit payment or any advance payment can be made. The process of the HRT causes the assessment of the claim to be paused, thereby delaying the processing of the claim. Any delay or problem in scheduling or conducting the HRT, or deciding on the result of the HRT, can also thus delay payment and increase the risk of destitution.

Our research found that JCP staff are taking inconsistent approaches to the application of the HRT. Some JCPs do not ordinarily require refugees to undertake the HRT at all, whereas others require them to do the first part only, and others insist that refugees must take both parts of the HRT.

The confusion may stem from a lack of clear guidance from DWP, particularly as refugees were previously clearly listed as exempt from the HRT (making it easy for advocates to point out), whereas the current guidance gives conflicting messages.<sup>14</sup> Stakeholders participating in our research – who worked across a range of local authorities – often commented that the HRT does not cause problems for benefits applicants in one JCP area but is a problem in the neighbouring area, suggesting that JCPs have been adopting their own differing interpretations of when and how to apply the HRT. The official guidance for refugees on the government website states that

refugees are only required to undertake the first part of the HRT, whereas other sites imply that refugees are exempt, such as on the website of the Citizens Advice Bureau.<sup>15</sup>

*We are often told that application is pending an HRT appointment which adds further delays to the process. (Stakeholder focus group)*

Refugees who were subject to any stage of the HRT commonly experienced additional delays to their benefits application as they were required to wait to be invited to an interview, which could take one or two weeks to come through.

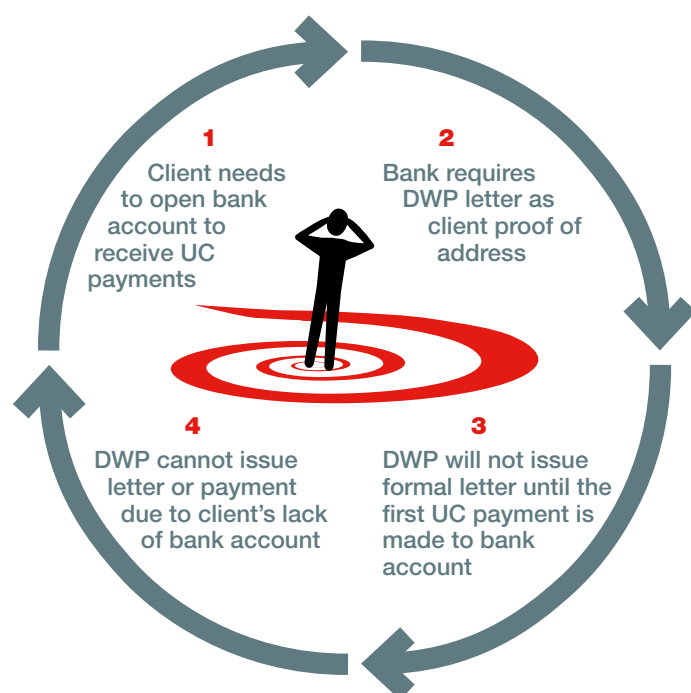
### 4.1.4 Barriers to opening bank accounts

The research found that many refugees had experienced or were currently experiencing difficulties in opening a bank account. Delays in opening a bank account often lead to delays in receiving benefit payments or wages, as a bank account is required. Most refugees do not yet have a bank account when they receive the decision on their asylum application, because they will have been unable to open one due to lack of identification documents. Unlike benefit payments, asylum support payments are paid onto the Asylum Support Payment Enablement Card (ASPEN card), a 'chip and pin' card that the holder can use to withdraw the money from any ATM or to make direct purchases in any retail outlet that accepts Visa debit cards.

Our previous (2014) research found that a significant barrier identified by refugees was bank staff refusing to accept a BRP as proof of identity. However, in this research, the main issue facing newly recognised refugees was being unable to provide the required proof-of-address documents. Both service users and stakeholders reported that banks generally request a letter from DWP as proof of the applicant's address. The online nature of Universal Credit means that the new system does not produce the same volume of formal letters as the legacy benefits system did. Stakeholders reported that the first formal letter from DWP cannot be generated until

14 See 'Eligibility and habitual residence test', available at: <https://www.gov.uk/government/publications/refugees-guidance-about-benefits-and-pensions/help-available-from-the-department-for-work-and-pensions-for-people-who-have-been-granted-leave-to-remain-in-the-uk>

15 See 'What is the habitual residence test?', available at: <https://www.citizensadvice.org.uk/benefits/coming-from-abroad-and-claiming-benefits-the-habitual-residence-test/the-habitual-residence-test-an-introduction/what-is-the-habitual-residence-test-EWSNI/>

**Figure 6: The bank account and Universal Credit payment barrier cycle**

DWP: Department for Work and Pensions  
UC: Universal Credit

the Universal Credit application has been fully processed and the first payment is made. This leads to a 'chicken and egg' situation whereby a bank account cannot be opened without a DWP letter, but a DWP letter will only be provided once a benefit payment is made into a bank account. Figure 6 illustrates this cycle.

*The banks often want a DWP letter proving address, which cannot be issued until a payment is made, which cannot be made without a bank account so it's a 'chicken and egg' situation. (Stakeholder focus group)*

Critically, the lack of a bank account renders the advance payment mechanism (a key safeguard of the Universal Credit system) effectively redundant, as advance payments for Universal Credit can only be paid into bank accounts (see end of section 4.1.1).

*Some clients end up using their friend's bank account as a last resort, which is far from ideal and puts them at risk of exploitation. (Stakeholder focus group)*

Stakeholders participating in this research reported instances of refugees electing to use a friend's bank account as an interim measure to enable them to receive their benefit payments, but this situation is far from ideal, and it can potentially put refugees at risk of exploitation.

Other refugees have reportedly attempted to use their asylum accommodation address when applying for a bank account, although with limited success; this strategy can further complicate the issue as important documents (bank cards, etc.) may end up being sent to an address that the client has already been evicted from.

One potential solution identified during the stakeholder focus groups would be to make use of the existing asylum support payment card (the ASPEN card) for the first benefits payment(s), if the client lacks a bank account. The majority of refugees would already possess an ASPEN card, which they use to receive asylum support while awaiting a decision on their application for asylum. This suggests that the possibility of using the ASPEN card to receive the first Universal Credit payment (or advance payment) should be explored. This would allow refugees additional time to resolve any bank account issues and would allow DWP to provide a letter confirming the first Universal Credit payment, which could then be used as proof of address to set up a bank account.

Other solutions to banking issues that were identified during the course of the research were to increase the use of online-only banks or to use mobile phone banking.

### 4.1.5 Delays and mistakes on Biometric Residence Permits (BRPs)

The research found that the issue of National Insurance number (NINO) delays, identified in our 2014 move-on report, has been largely eradicated since the introduction of BRPs with the NINO printed on the back. Stakeholders reported extremely positive feedback about this development, noting the reduced delays in obtaining a NINO and the ease of use for newly recognised refugees. Stakeholders also reported that having NINOs printed onto BRPs has saved them huge amounts of time previously spent assisting refugees to track down missing NINOs.

However, refugees still experience delays in receiving their BRPs and many had received BRPs containing errors, making the BRP unusable (see Case study 1).

We found evidence of significant delays in receiving BRPs for the following groups:

- a** Legacy cases – applicants who made a claim for asylum before 2007, whose biometrics would not have been taken at the screening interview.
- b** No biometric record – applicants since 2007 who did not have their biometrics taken at the screening interview for any reason.
- c** Appeal cases – applicants who were granted asylum at the appeal stage.
- d** BRP sent to solicitor – applicants who had their BRP sent to their solicitor.

Applicants who did not have their biometrics taken during the asylum application and screening process are asked to book an appointment at a local post office to have their biometrics taken around the same time that they receive their status letter granting them asylum. This can cause additional delays in receiving the BRP, either because the client does not fully understand what they need to do at the post office, or because there may be a delay in accessing the biometric machine at the post office (e.g. some are only open part-time).

The longest delays were experienced by those who had their asylum cases determined at the appeal stage. These cases followed a common pattern whereby the main applicant would receive their BRP within ten days after the appeal was

granted, but their dependents would often not receive their BRPs until months later. It is not clear why this is occurring – whether it is an issue with the Home Office IT system or with the communications between the court and the Home Office.

As the 28-day move-on period is triggered when the BRP is issued, in these cases the delays in issuing BRPs did not result in destitution, since asylum support continued as usual. However, these issues do delay the start of the move-on period and the opening of a bank account, and so delay the time when a refugee will be able to transition to the mainstream benefits system and access employment. For people who may have been waiting for several years for a decision on their asylum claim, this additional delay is an unnecessary and frustrating period as they are forced to wait longer to be able to begin to properly rebuild their lives.

In addition to the BRP delays, the research uncovered a high proportion of cases among our refugee respondents who had received a BRP containing an error. These errors – commonly a misspelling of a name or an incorrect birth date or county of origin – were only introduced at the point of producing the BRP, suggesting that there may be quality control issues within the BRP unit at the Home Office. Refugees who receive an incorrect BRP are required to report it to the Home Office within ten days, after which they will be liable to pay for a replacement. Once the error is reported, the Home Office will contact the refugee to let them know the next steps they need to take (this can vary depending on the nature of the error). Stakeholders reported that they often experienced significant delay between reporting an incorrect BRP on behalf of a client and the client receiving a replacement. Stakeholders also reported a disproportionately high BRP error rate for family reunion cases, although this issue fell outside the scope of this research. Refugees are unable to start a benefits application or open a bank account without accurate proof of their identity, meaning that those who receive a BRP with incorrect details will be required to remain on asylum support until such time as the BRP is resolved. This leaves them at a significant financial disadvantage as it prevents them from seeking employment and asylum support rates are also lower than mainstream benefits rates.

The research also found a number of cases where the BRP had been sent to the solicitor rather than to the client direct, though it was not obvious as to why this was the case. It may be that the Home Office did not have a current address on their IT system at the point that asylum was granted, though it should be noted that all of the cases identified in the research were living in accommodation provided by the Home

Office as part of their asylum support programme. In these cases, for the newly recognised refugee, not having their BRP in their possession will impact their ability to successfully transition through and beyond the move-on period, since the 28 days will be counting down (and they may not be aware it has been issued). Without their BRP in hand, it is very hard to begin any of the necessary applications.

## Case study 1: Farzam's story

Farzam<sup>16</sup> and his two daughters arrived in the UK from Iran in October 2017. He was granted refugee status and received his Biometric Residence Permit (BRP) in April 2018 and attempted to put in a claim for Universal Credit the following week, but could not complete the online application because he did not have a bank account.

As Farzam and his daughters were living in asylum support accommodation, he did not have the type of proof of address documents that banks require to open an account. Additionally, an error with his BRP meant that he had been forced to send it back to the Home Office to be replaced. As a result, this could not be used as proof of identification.

The family's asylum support payments stopped 28 days after Farzam was granted refugee status,<sup>17</sup> so for months after this they were surviving on just £10 per person per week, provided as emergency payments from the British Red Cross.<sup>18</sup> Eventually, they were also able to access food bank vouchers from the local authority's Welfare Assistance Scheme, and their asylum accommodation provider paused their 'notice to quit' so they would not be homeless.

To attend Red Cross drop-ins and receive his weekly emergency payments, Farzam had to travel for over an hour from his accommodation, taking multiple trains and buses. This was expensive, and he had to leave one daughter behind when he went. It was a very difficult time, he explained: "I struggled, with that amount of money, to live; we just couldn't buy food, or travel [anywhere]."

In July, Farzam's Red Cross worker heard from a contact at the Department for Work and Pensions that, in exceptional circumstances, Jobcentre Plus (JCP) could issue a payment to Farzam under the Payment Exception Service (PES).<sup>19</sup> Local JCP staff, who had never heard of PES before, quickly arranged this payment for Farzam once the Red Cross informed them that it was an option.

In August 2018, Farzam received his replacement BRP. With this, he was able to open a bank account and complete his Universal Credit application, and he received his first Universal Credit payment soon after that. His younger daughter still does not have a BRP, however, due to a mistake when recording her birthday with the Home Office, and the family does not have sufficient proof of identification to prove her correct birthday: "The Home Office will not accept her age, and we don't have the proof to show them what ... her real age [is]."

Reflecting back on his experience, Farzam felt it had taken a very long time: "It took four months to get the benefits, quite a lot of time. It was very difficult. It was."

<sup>16</sup> The client's name has been changed.

<sup>17</sup> This was an error as payment should have continued until 28 days after a corrected BRP was issued.

<sup>18</sup> This can be compared to asylum support payments, which are currently £37.75 per person per week.

<sup>19</sup> These payments are "only available in very limited circumstances" and can be collected by a person without a bank account (up to a maximum of £100). Further information is available at: <https://www.gov.uk/payment-exception-service>



The research also found one refugee who never actually received their BRP despite it being sent to their asylum support address where it was reportedly signed for by someone. Stakeholders reported that the process of reporting a lost or stolen BRP generally entails even more delay than replacing an incorrect BRP. The client in question had been granted asylum in February 2018 but still had not received his BRP by June 2018.

#### 4.1.6 Awareness of the 28-day move-on period

Awareness of the 28-day move-on period had increased significantly since the 2014 research. According to the 2018 findings, most of the surveyed service users (16 out of 26) understood that they had 28 days to access the mainstream benefits system before their asylum support stopped. This is a significant increase compared with just a quarter of respondents who answered 'yes' to the same question in 2014. Only four of the service users reported that they were unaware of the 28-day limit, compared to six in 2014 (see Chart 6). Other respondents either didn't or couldn't answer the question.

Findings from the stakeholder focus group discussions suggest that the majority of new refugees gain their understanding of the move-on period from their ongoing contact with front-line

organisations, rather than through any official Home Office documents or via the Post Grant Appointment Service (PGAS) (see Section 4.1.2 for more information). This is primarily due to the fact that many refugees have limited English language skills and find it difficult to understand the language used in Home Office letters confirming that they have been granted asylum.

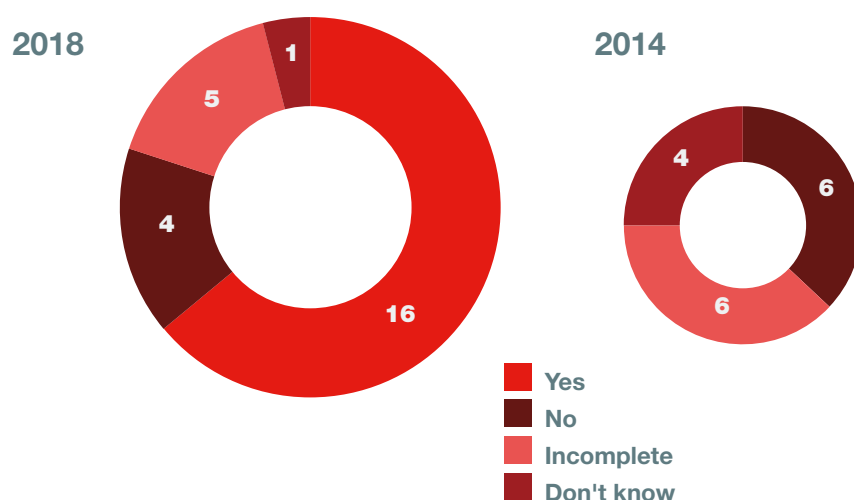
It should also be noted that while awareness of the 28-day move-on period has increased, it is still not high; moreover, we could find no evidence that this increase in itself reduced the risk of destitution for newly granted refugees.

#### 4.1.7 Homelessness

We found that the majority of refugees who took part in our research were able to find temporary accommodation through the local authority at the end of the move-on period, when their asylum support ended and they were evicted from their asylum accommodation. However, as part of their annual survey of their members, the No Accommodation Network (NACCOM) asked how many of the people being hosted in their schemes were newly recognised refugees. NACCOM members provide accommodation to people seeking asylum (including refugees) and other migrants who have no recourse to public funds. Seven out of ten of NACCOM's members

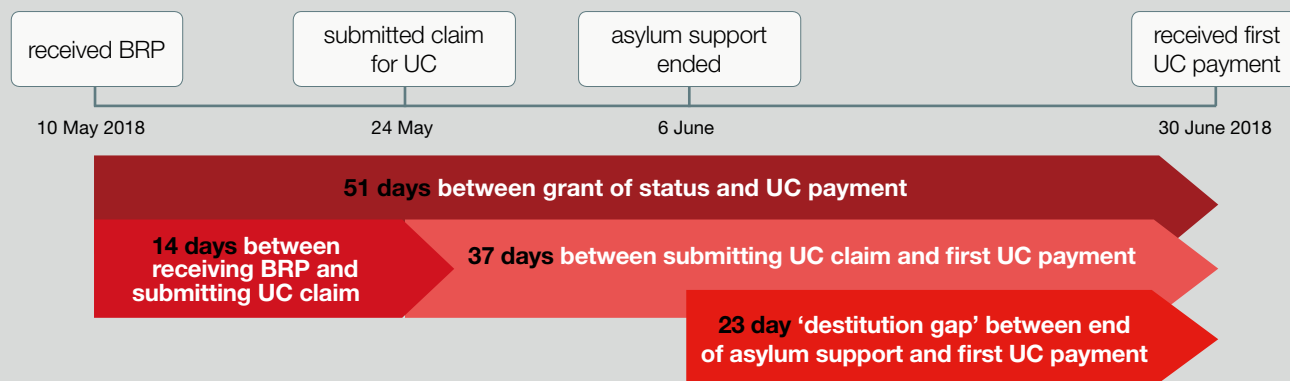
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**Chart 6: Once you were granted asylum, did you know that you had 28 days to access benefits before your Home Office support (i.e. asylum support) stopped? (2018 and 2014 findings)**



Source: 2018 data extracted from analysis of 26 service-user questionnaires. 2014 data taken from the 2014 report, *The move-on period*, which included data from 16 service users (Carnet et al./British Red Cross 2014).

## Case study 2: Mary's story



BRP: Biometric Residence Permit; UC: Universal Credit

Mary<sup>20</sup> arrived in the UK with her one-year old son in 2009. She submitted a claim for asylum and began receiving asylum support. English is Mary's first language. Many years later, on 13 April 2018, she received a letter from the Home Office asking her to go to the post office to have her biometrics taken, so she went the next day.

A few weeks later, on 10 May, Mary received her Biometric Residence Permit (BRP) card confirming that she had been granted asylum and including her National Insurance number (NINO). Mary understood that from this point, she had 28 days before her asylum support ended; she had seen other refugees in the same situation. But she did not know exactly what she needed to do next, or understand the process she needed to follow. "I didn't even know about Universal Credit – I wasn't aware of it," said Mary, "I didn't have enough information – it took me a long time before I applied for Universal Credit."

Mary received the official letter granting her status on 15 May. She admitted feeling shocked at having had to wait so long to be granted refugee status, while so many other people who had arrived in the UK after her received earlier decisions. She immediately went to her local refugee support organisation for some time for advice. Three days later, she received an eviction notice informing her that she must

vacate the property on 6 June when her asylum support was due to end. Mary used this letter to apply to the local authority for housing, but they did not find alternative accommodation for her.

On 24 May, already half-way through the 28-day move-on period, Mary applied for Universal Credit with the help of the local refugee support organisation – she needed access to a computer and some help filling out the online application. After some difficulty with retrieving the verification code via email, Mary managed to submit her application that day.

A week later – seven days before the end of the move-on period – Mary received a Post Grant Appointment Service (PGAS) letter (dated 10 May but only received on 30 May) stating that they had tried to call her, but were unable to get through. Mary had not been notified of any missed calls and had not changed her mobile number. She did not follow up with the PGAS team as she had already submitted her Universal Credit application.

On 6 June, Mary's asylum support was terminated and she had to leave her accommodation. Having not been assigned alternative housing, she had no choice but to present herself as homeless at the local authority. She was put into temporary accommodation at a hotel in a nearby town for two weeks. Mary had very little money left at this

<sup>20</sup> The client's name has been changed.

point, and became reliant on a friend who provided food and other basic essentials. The friend also took in Mary's son, now aged ten, to minimise the disruption to his schooling. Mary did not want to borrow money or get into debt, unsure when she would be able to pay it back. Mary's priority was to maintain a sense of normality for her son. About this period, Mary said: "I felt vulnerable, it was really hard for me."

Mary was asked to attend a habitual residence test (HRT) interview on 11 June. Mary went, but three days later she was asked to come in to repeat the interview as the first one had not been completed properly. The interview lasted one hour. The HRT interview pauses the Universal Credit processing, so the delay over Mary's HRT lengthened the assessment period for her Universal Credit claim.

Later that day, with help from her housing officer, Mary applied for an advance payment from Universal Credit, but the application was refused because a decision on her HRT had not yet been made.

A week later, on 20 June, Mary and her son moved into temporary accommodation together back in the town where they previously lived, near his school. Another week passed and still she had not received a decision on her HRT and so could not apply for the advance payment. The Red Cross contacted the Jobcentre Plus (JCP) on her behalf, and was told that the decision would follow within five days.

On 30 June – 23 days after her asylum support ended and 37 days after applying for Universal Credit – Mary received her first Universal Credit payment, covering the period from 24 May to 30 June 2018. The payment for her son was missing, however, so Mary contacted the JCP and was told that it would be made within ten days. Ten days later, the payment was made.



reported that, compared with the same time the previous year, they were supporting more newly recognised refugees whose benefits had not yet come through. Of the 3,471 people supported by NACCOM members over that time, over 400 (12 per cent) were newly recognised refugees.

It is clear that hosting schemes, such as those run by NACCOM members, are supporting a large number of newly recognised refugees, and that number appears to be increasing.

### Case study 3: **Awad's story**

Awad<sup>21</sup> was granted refugee status in the UK in March 2018, and was set up to receive Universal Credit around 35 days later. He struggled with the Universal Credit application, especially the online journal, because of his lack of English proficiency, but the Red Cross helped him to navigate the system.

Because he was moving into accommodation from a social housing provider, Awad agreed to an arrangement with the JCP whereby the Department for Work and Pensions (DWP) would pay Awad's rent directly to the housing association, which would reduce the stress for budgeting for rent. However, DWP did not set this up for three months, meaning Awad went into arrears on his rent.

Awad wanted to pay the rent himself to begin with, but did not have enough money in his bank account. It was a very stressful time, with considerable uncertainty and the fear of losing his home. Awad had experienced traumatic events before coming to the UK, and was not in a stable condition emotionally. "This experience further destabilised his mental health," his Red Cross worker explained. "He felt very much in the dark, confused as to why his rent hadn't been paid."

While a payment plan has now been set up, the housing association is debiting Awad's account for the arrears that he owes.

## 4.2 Legacy benefits

One of the field sites participating in the research (Leeds) had yet to transition to Universal Credit and was still operating the previous benefits system, commonly known as 'legacy benefits'. We were unable to obtain a significant number of service users to complete the questionnaires at this site, but evidence from the stakeholder focus groups, including one at this site, proved useful in comparing the experiences of refugees navigating the move-on period in Universal Credit areas against those doing so in legacy benefit areas.

The majority of factors identified in this report as contributing to an increased risk of destitution (by delaying the application for benefits), as described in Section 4.1, were shared across both Universal Credit areas and legacy benefit areas, though it appears that a lack of English and IT skills is less likely to be a problem in legacy benefit areas as the benefits application process and onward communications with the Jobcentre Plus in those areas are less reliant on online processes. It is clear, however, that other factors – such as difficulties in opening bank accounts, habitual residence tests (HRTs) and errors or delays with Biometric Residence Permits – are commonly experienced and contribute towards delays in receiving the first benefit payments in both types of areas. Stakeholders reported that the average length of time between making an application for benefits and receiving the first payment was five to six weeks in legacy benefits areas, compared with seven to eight weeks in Universal Credit areas (where it officially takes a minimum of five weeks).

## 4.3 Local initiatives and best practice

It is apparent that many front-line organisations have developed effective local initiatives and best practice in response to the factors contributing to destitution outlined in this report based on the findings of this research. A number of field sites reported success with building effective relationships with local banks, resulting in agreements for a work-around solution whereby the front-line organisation can provide a reference letter to the bank on behalf of the client to confirm the client's address. A number of other local

21 The client's name has been changed.



initiatives were in existence or being developed, as listed in Box 1.

There are, however, limited channels through which to share these initiatives with stakeholders

(managers, staff members and volunteers) in the rest of the sector, resulting in some duplication of effort and missed opportunities to capture and share best practice and learning.

### **Box 1: Examples of local initiatives developed by front-line organisations to assist refugees in reducing their risk of destitution**

#### **Improving access to bank accounts**

- Building relationships with local banks to ensure refugees are able to open bank accounts with limited documentation. For example, Newcastle British Red Cross reached an agreement with the local branch of Lloyds Bank whereby the bank has agreed to accept a reference letter from the front-line organisation to confirm the client's proof of address.
- Sending a volunteer with a client to open a bank account to provide assistance if required.
- Advising clients to use online-only banks, such as Monzo and Starling, since these banks make it possible to open an account via a mobile phone application (app) by taking a photo of the Biometric Residence Permit (BRP) with the mobile phone. More information can be found in a recent article on the Which? Website (Cavaglieri 2018).

#### **Improving communications and relationships with the local Jobcentre Plus (JCP)**

- Building relationships with the local JCP manager, to ensure that front-line JCP staff understand the needs of refugees and that the voluntary sector better understands JCP processes. For example, local JCP staff can deliver training to the voluntary sector to increase knowledge of the social security system among front-line staff so that refugees receive accurate advice and support.
- Providing letters to clients to ensure that the JCP offers advance payments, as done by Refugee Education Training Advice Service (RETAS) in Leeds.
- Engaging with the local multi-agency forum and the regional Strategic Migration Partnerships so that information can be shared and issues impacting refugees can be discussed, with a view to developing joint solutions.
- Establishing specialist support for refugees to develop their English language and IT skills.
- Building relationships with the local authority's housing department to ensure local authority staff are fully aware of the needs, rights and entitlements of refugees.

## 5 **Conclusions**

The 2018 research presented in this report found that while there have been some positive developments since the 2014 research and report (Carnet et al./British Red Cross 2014), the move-on period still exposes newly recognised refugees to an unacceptably high risk of destitution, as the 28-day move-on period of continued asylum support is not long enough for them to open a bank account and apply for and receive their first benefit payment and then arrange alternative accommodation. This is particularly evident in areas where Universal Credit has been rolled out, as the first Universal Credit payment cannot be made until at least five weeks (35 days) after

submitting the application, clearly exceeding the 28-day safety net afforded by the move-on period. We therefore conclude that that one part of current government policy – the five-week minimum waiting period for the first Universal Credit payment – is incompatible with another – the 28-day move-on period – thus exposing refugees to almost inevitable destitution.

The Homelessness Reduction Act 2017 (HRA) recognised that the period required to assist those at risk of homelessness needed to be extended to 56 days. Given the complexities of the move-on period and the five-week waiting period for Universal Credit, we recommend that



the move-on period should also be extended to at least 56 days (eight weeks), mirroring the provision of the HRA.

In addition, refugees are commonly unable to access advance payments (the key safeguard built into the benefits system) due to challenges refugees face in obtaining the documents required to open a bank account, given that advance payments can only be paid into a bank account. There is also a lack of awareness of the availability of advance payments among new refugees. Since advance payments are intended as a safeguard against destitution, and the 28-day move-on period essentially guarantees a period of destitution for newly recognised refugees, our research indicates that advance payments would be required for all newly recognised refugees making a benefits application and thus measures are needed to improve their awareness about advance payments and to facilitate transfer of such payments for new refugees who are facing difficulties opening a bank account, possibly through the use of the ASPEN card.

We found that the fact that the Universal Credit system is purely online constituted a major barrier for refugees to successfully navigate the application process, given the high level of English language and IT literacy required to engage with the online account. Many refugees would have had limited access to English for speakers of other languages lessons during the asylum process, leaving them at a distinct disadvantage when attempting to navigate a complex online system that is only available in English and Welsh. Refugees in our study found it difficult if not impossible to set up and manage their online accounts without the intensive and sustained support of the voluntary sector. A lack of translated information and guidance from the Department for Work and Pensions (DWP) further compounds this issue, leaving refugees with little opportunity to increase their sense of agency.

Many of the issues identified in the 2014 move-on report are still prevalent as reflected in this report, with the notable exception that the introduction of National Insurance numbers (NINOs) being printed on Biometric Residence Permits (BRPs) has significantly reduced the delays in obtaining

a NINO (one of the key issues highlighted in the 2014 move-on report).

The research also uncovered delays caused by BRPs that are issued late or contain errors rendering them unusable – issues which are time-consuming and complex to rectify.

We also found issues with local authorities applying an inconsistent approach to the habitual residence test (HRT) to assess eligibility for benefits during the application process. Some Jobcentres Plus (JCP) do not require refugees to undergo the test at all, while others insist that one or both parts of the HRT should be applied through an in-person interview. Refugees who were required to undertake the test often had to wait a further one or two weeks for an interview, further delaying their benefits application and the first payment.

The introduction of the Post Grant Appointment System (PGAS) does appear to be effective in bringing forward the date of the first JCP interview, but we found no evidence that this led to an earlier first payment or mitigated the risk of destitution, meaning that the PGAS is not meeting its intended aim of eradicating destitution for newly recognised refugees.

It is also evident that refugees require access to longer-term and more intensive advice and support, particularly in areas where Universal Credit has been rolled out.

Lastly, there are important opportunities to learn from and mirror some of the good practice being provided as part of the Vulnerable Persons Resettlement Scheme (VPRS), so that mainstream refugees are afforded similar support and opportunities to re-establish their lives in the UK. It should not matter how a refugee came to the UK; whether they arrived through a resettlement programme, via family reunion, or were recognised after applying for asylum, all refugees deserve support to help them rebuild their lives and integrate into mainstream society, including employment and the benefits system. Unfortunately, the ordeal of the move-on period means that for too many newly recognised refugees, they are almost immediately fighting to overcome barriers and then enduring destitution before they can begin to start that positive process of integration and rebuilding.

## 6 Recommendations

### Recommendation 1

The move-on period for newly recognised refugees should be extended to at least 56 days, allowing time to apply for a bank account and for benefits followed by the minimum 35-day waiting period for the first Universal Credit payment.

The Home Office should:

- Ensure that all documentation, especially Biometric Residence Permits (BRPs), are issued on time, are consistent with one another, and are accurate. If an individual's BRP is to be sent to their solicitor rather than directly to them, the newly recognised refugee should be informed of this.

The Home Office and DWP should:

- In cases where payment of Universal Credit will not be payable within the move-on period due to lack of a bank account, consider enabling the first payment to be made using the Asylum Support Payment Enablement card (ASPEN card) that the individual would have previously used to receive their asylum support payments.

### Recommendation 2

The level of support and accessibility of information provided to newly recognised refugees to help them navigate the move-on period should be improved, ensuring they are fully informed of and engaged with the decisions they are making.

The Home Office and DWP should:

- Publish an evaluation of the impact the Post Grant Appointment Service (PGAS) has had, including information on the percentage of newly recognised refugees who have been successfully contacted and supported to make an initial appointment with their local Jobcentre Plus (JCP), as well as the number of refugees who are subsequently in receipt of their first benefits payment before the end of the move-on period.
- Publish information online regarding the expected process of the PGAS, to increase understanding of what support will be provided, including an explanation of the 'Vulnerable Persons Pathway'.
- Regularly review the 'Help available from the Department for Work and Pensions for people who have been granted leave to remain in the UK' information sheet provided to newly recognised refugees,<sup>22</sup> including by consulting refugees on how it can be made more accessible and useful.

<sup>22</sup> Available at: <https://www.gov.uk/government/publications/refugees-guidance-about-benefits-and-pensions/help-available-from-the-department-for-work-and-pensions-for-people-who-have-been-granted-leave-to-remain-in-the-uk>



The Ministry for Housing, Communities and Local Government should:

- Undertake an early evaluation of the Local Authority Asylum Support Liaison Officers (LAASLOs), including a process evaluation element and with a specific focus on the measurable outcomes for refugees.

The Home Office, DWP and the Ministry for Housing, Communities and Local Government should:

- Ensure that learning from the successful approaches taken nationally and locally to support refugees resettled to the UK via the Vulnerable Persons Resettlement Scheme (VPRS) and other similar programmes is applied to newly recognised refugees who have completed the asylum application process.

### Recommendation 3

**Refugees should be able to navigate the application process for Universal Credit with support as required and payments should be made as soon as possible.**

The Home Office and DWP should:

- As part of the PGAS, ensure that refugees are offered a suitable interpreter at any appointment made with the JCP.

DWP should:

- Increase the accessibility of the online journal, to-do list and guidance by translating them into the main languages used by refugees, and adding audio prompts where suitable.
- Ensure Universal Credit case managers and work coaches working with newly recognised refugees are aware of the barriers the online Universal Credit system creates, and enable staff to provide additional support as required.
- Ensure that newly recognised refugees are able to apply for Universal Credit in person at a JCP (and not only told to apply for it online) and ensure that advance payments are offered where necessary.
- Clarify that refugees are not required to undertake the 'habitual residence' part (second part) of the habitual residence test (HRT), but just the 'right to reside' part (first part).



## Recommendation 4

**Newly recognised refugees should be able to quickly and easily open bank accounts.**

### The Home Office should:

- Provide official reference letters to banks that can be used by newly recognised refugees, along with their BRP, to open a bank account without needing to provide additional proof of address. The letter should set out the rights of the refugee, along with the relevant legislation.
- Provide official guidance to banks on the level of documentation available to refugees, including information as to why providing proof of address may not be possible.

### The Financial Conduct Authority (FCA) should:

- As part of the wider work on financial inclusion, issue clear guidance to banks regarding the documentation that newly recognised refugees have and the barriers they face when attempting to provide proof of address.
- Work with UK Finance to provide training to bank staff on barriers refugees face when attempting to open bank accounts, especially in areas that are likely to have considerable numbers of refugees.

## Recommendations for the British Red Cross

### The British Red Cross should:

- Ensure all relevant members of staff are fully trained on Universal Credit processes, including facilitating the sharing of learning from those areas where Universal Credit has already been rolled out.
- Where not already developed, build effective local working relationships with the JCP partnership managers and regional DWP refugee leads.
- Establish a 'Community of Practice' to identify and share local best practice initiatives within the British Red Cross, to complement national advocacy and to contribute to and link with existing forums within the refugee sector.
- Explore ways to build upon existing activities to improve access to employment for refugees, including by developing new operational delivery programmes.

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Work and Pensions Committee (2015). Benefit delivery: Fourth report of session 2015-16. London: The Stationery Office Limited by Order of the House of Commons; publication reference HC 372. <https://publications.parliament.uk/pa/cm201516/cmselect/cmworpen/372/372.pdf> (accessed 12 September 2018).

## Web links for further information

Department for Work and Pensions (DWP) – Extended Gateway Evaluation (December 2015) <https://www.gov.uk/government/publications/universal-credit-research-with-single-claimants-including-those-with-housing-costs>

DWP – Universal Credit Pathfinder Evaluation (October 2014) <https://www.gov.uk/government/publications/universal-credit-pathfinder-evaluation>

DWP – Vulnerability guidance – Additional support for individuals (from the Freedom of Information [FOI] archive) <https://www.whatdotheyknow.com/request/259586/response/635763/attach/4/Vulnerability%20guidance.pdf>

House of Commons Work and Pensions Committee – *Universal Credit: The six week wait* (October 2017) <https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/336/336.pdf>

Joseph Rowntree Foundation – Destitution in the UK 2018 (June 2018) <https://www.jrf.org.uk/report/destitution-uk-2018> (accessed 12 September 2018).

Refugee Council – *28 days later: Experiences of new refugees in the UK* (August 2014) [https://www.refugeecouncil.org.uk/assets/0003/1769/28\\_days\\_later.pdf](https://www.refugeecouncil.org.uk/assets/0003/1769/28_days_later.pdf)

Refugee Council – *Survey: Refugees without refuge* (September 2017) [https://www.refugeecouncil.org.uk/assets/0004/1546/Refugees\\_without\\_refuge\\_September\\_2017.pdf](https://www.refugeecouncil.org.uk/assets/0004/1546/Refugees_without_refuge_September_2017.pdf)

Universal Credit – Research briefing (May 2018) <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-8308#fullreport>

Universal Credit – Written statement (June 2018) <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-06-07/HCWS745/>



# Glossary

**Asylum Support Payment Enablement Card (ASPEN card)** – Used to receive asylum support payments.

**Biometric Residence Permit (BRP)** – Issued by the Home Office and sent to the individual, if not the same day, then shortly after they have been notified that their asylum application has been approved. The BRP contains the holder's unique biometric identifiers (such as fingerprints and a digital facial image), biographical information, as well as details of entitlements and immigration status.

**Destitution** – When people have lacked two or more essentials (e.g. home, food, heating, lighting, clothing, shoes, basic toiletries) over the past month because they could not afford them, or if their income is extremely low and they have no savings, such that they are likely to lack these essentials in the immediate future.<sup>23</sup>

**Discretionary leave (DL)** – Granted for, among others, family reasons or medical cases (e.g. under Article 8 and Article 3 of the European Convention on Human Rights [ECHR]), and for some unaccompanied asylum-seeking children (UASCs).

**Habitual residence test (HRT)** – A two-part test, used as part of the process of determining a person's eligibility to apply for benefits in the UK, that assesses whether an applicant (a) has a right to reside in the UK and (b) is habitually resident.

**Homelessness Reduction Act 2017 (HRA)** – New legislation that extends the duties of public bodies in preventing homelessness.

**Humanitarian protection (HP)** – Granted to individuals who have not been found to be a refugee but who would be at risk of serious harm if they were to return to their country of origin.

**Jobcentre Plus (JCP)** – JCP is part of the Department for Work and Pensions (DWP). Its role is to provide work for those who can work, and support for those who cannot.

**Leave outside the immigration rules (LOTR)** – Granted on the basis of compelling compassionate grounds other than private life, medical, asylum or protection.

**Local Authority Asylum Support Liaison Officer (LAASLO)** – Under an ongoing pilot scheme, LAASLOs work with newly recognised refugees to provide them with information and support to help with their transition from asylum support to mainstream society, employment and/or benefits.

**National Insurance number (NINO)** – A personal account number assigned by the government for use in the social security and tax system. A person needs a NINO before they can apply for work, a bank account or benefits in the UK.

**Post Grant Appointment Service (PGAS)** – Also known as the 'warm handover' process, PGAS was introduced by the Home Office to facilitate early contact between newly recognised refugees and the Department for Work and Pensions (DWP).

**Refugee status (RS)** – Granted to those who meet the definition of refugee contained within The Refugee or Person in Need of International Protection (Qualification) Regulations 2006.

**Universal Credit** – A social security benefit in the UK introduced in 2013 to replace six means-tested benefits and tax credits (commonly known collectively as 'legacy benefits'). Nationwide roll-out of Universal Credit is currently due for completion in December 2018, after which any remaining claimants of legacy benefits will be migrated to Universal Credit before the end of 2023.

**Vulnerable Persons Resettlement Scheme (VPRS)** – The UK's largest resettlement scheme, whereby refugees are resettled from refugee camps into the UK with a package of information, advice and support. The VPRS is a joint scheme of the Home Office, the Department for International Development (DFID) and the Ministry of Housing, Communities and Local Government.

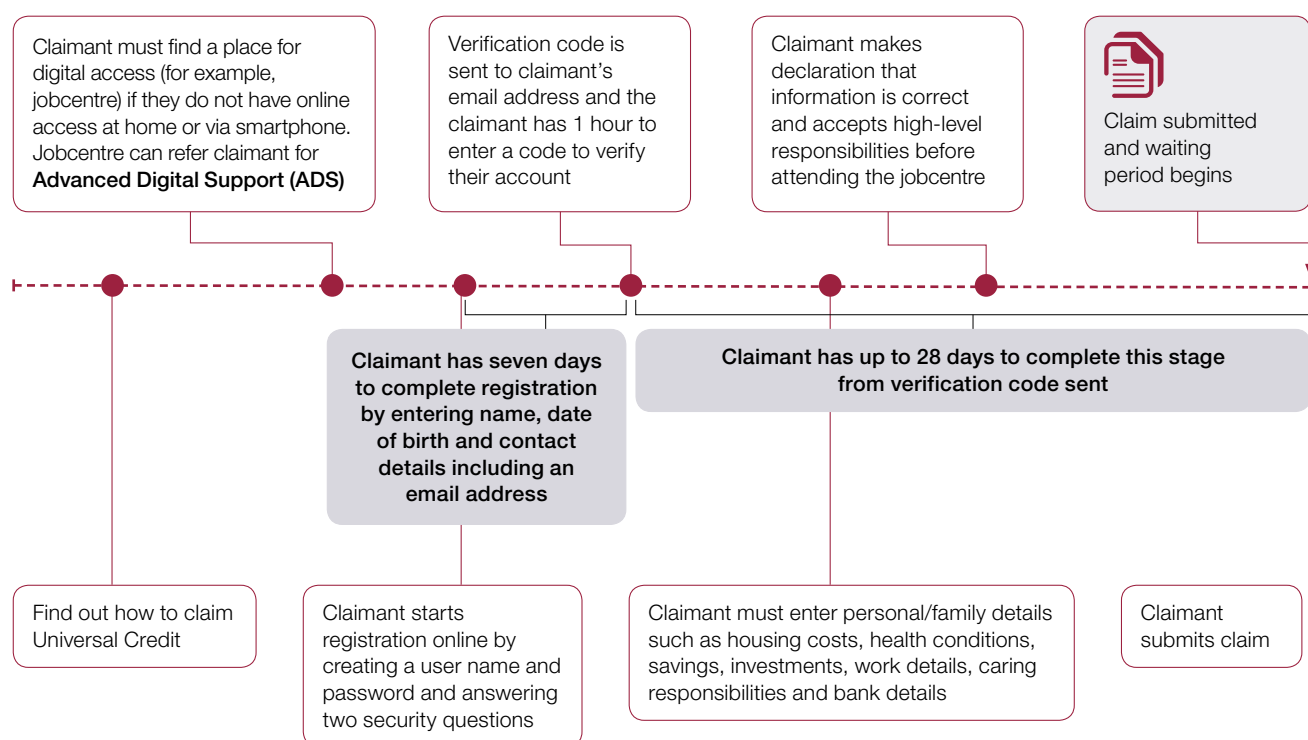
23 Fitzpatrick S, Bramley G, Sosenko F, Blenkinsopp J, Wood J, Johnsen S, et al.; I-SPHERE Heriot-Watt University (2018). Destitution in the UK 2018. York, UK: Joseph Rowntree Foundation. <https://www.jrf.org.uk/report/destitution-uk-2018> (accessed 12 September 2018).

# Appendix A

## Universal Credit: Getting to the first payment

There are several stages to get through before a claim is submitted and the initial waiting period begins. This can increase the initial waiting period for claimants who struggle

Some claimants can complete the necessary stages in a day; for claimants who struggle the waiting period is lengthened.



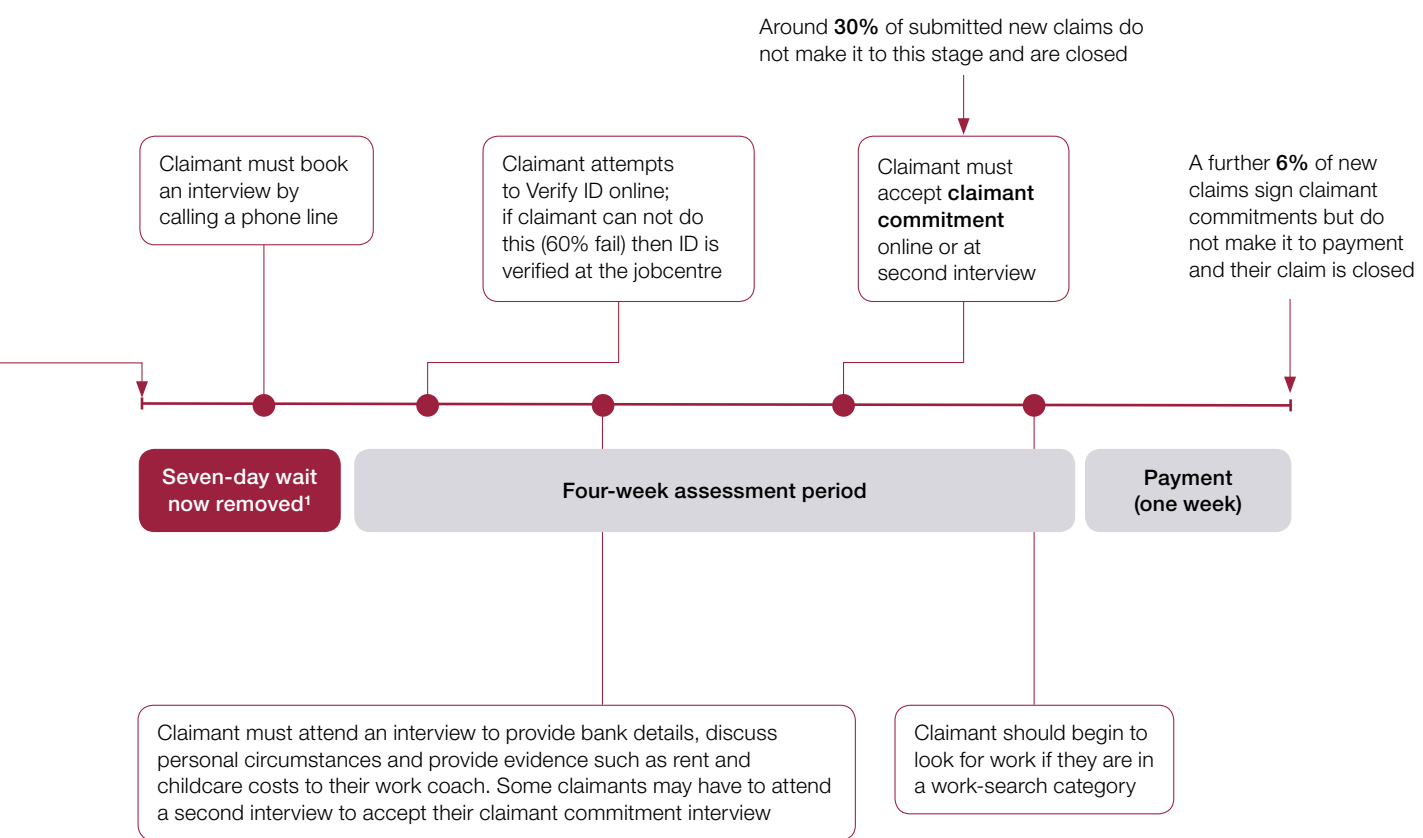
Support agencies we spoke to told us that issues can include claimants:

- being given the wrong information about which benefit to claim,
- struggling to complete the requirements to submit a claim, for example, because of language barriers; and
- not having a bank account or identification.

### Note

- 1 Claimants originally had a six-week wait for payment or five weeks if they were within the 'All work-related requirements' conditionality group, with several exemptions such as those with certain vulnerabilities. In February 2018 the Department reduced the initial wait to five weeks for all claimants.

The official measure for the wait to payment is from the claim being submitted. The target for this is now 5 weeks



The Department's analysis showed that reasons for claimants dropping out after signing a claimant commitment included claimants:

- failing to book an initial appointment;
- withdrawing a claim; and
- failing a residency test.

# Appendix B

## Post Grant Appointment Service (PGAS) letter

**UK Visas and Immigration**

PO Box 471

Dover

CT16 9FN

Tel: 0300 123 2235

Email: ASDWPTEAM@homeoffice.gsi.gov.uk

Asylum Support ref:  
Today's date:

Applicant

Dear

We will be writing to you to tell you that your Asylum Financial Support and Accommodation will end and that the grant of leave to remain in the United Kingdom that you have received now entitles you to take employment or claim benefits from Job Centre Plus to support yourself.

**If you require benefits it is very important that you apply for them without delay.**

We have tried to contact you to check whether you wish to make a benefits claim and to offer you help to arrange an appointment for you with Job Centre Plus.

Unfortunately, we have not been able to contact you by telephone because you did not answer the telephone when we called you.

**If you want to make a benefits claim and would like help from us to make an appointment with Job Centre Plus**, please either email your telephone number to [ASDWPTEAM@homeoffice.gsi.gov.uk](mailto:ASDWPTEAM@homeoffice.gsi.gov.uk) (including your Home Office reference number) and we will contact you **or alternatively** call the number above and advise you would like an appointment and ask them to email the team to advise.

Alternatively, **if you have access to the internet you can apply for benefits yourself** (or with support from someone else) online by visiting <https://www.gov.uk/apply-universal-credit>.



You can contact Migrant Helpline if you need any further information about your employment rights, further education or employment training. They may also be able to assist you to contact the local housing office to help you find accommodation if you need it.

Yours sincerely

Asylum Support  
Post Grant Appointment Service







**British Red Cross**

44 Moorfields

London

EC2Y 9AL

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**[redcross.org.uk](https://www.redcross.org.uk)**



